



April 4, 2023

The Honorable Susan Talamantes Eggman
Chairwoman, Senate Health Committee
1021 O Street, Suite 8530
Sacramento, CA 95814

Re: SB 582 (Becker) Health records: EHR vendors – Support

Dear Chairwoman Eggman,

On behalf of the California State Association of Psychiatrists (CSAP), I write to you in support of SB 582, which would authorize the California Health and Human Services (CHHS) Data Exchange Framework to create policies for including electronic health records (EHR) vendors in the legal structure of the framework and incorporate federal standards for the reasonableness of vendor fees.

SB 133 (2021) established the CHHS Data Exchange Framework (DxF), which is intended to enable real-time exchange of patient data between physicians and healthcare entities in order to improve patient care and reduce costs within the healthcare system. Moreover, anticipating the potential problems with vendors using high fees to obstruct data sharing, the federal government created standards to ensure the reasonableness of fees. Unfortunately, these rules don't apply to additional requirements for health information sharing under the DxF, creating an opportunity for EHR vendors to profit from charging excessive fees for enabling compliance. These fees have been as high as tens of thousands of dollars per physician.

Since compliance is required by state law, physicians face a daunting choice: pay the fees, fall out of compliance, or take on a huge project to switch EHR vendors. Therefore, SB 582 will address these concerns by empowering the DxF Advisory Group to develop policies for including EHR vendors in the DxF and require EHR vendors to be signatories to the Data Sharing Agreement. Other provisions under SB 582 would incorporate federal standards for reasonableness of vendor fees into state statute, as well as authorize the state to enforce these standards. By adding this state oversight, SB 582 will ensure that unfair vendor fees do not become a barrier to the successful implementation of the DxF and the gains in patient care that medical data sharing will unlock.

For these reasons, CSAP is pleased to support SB 582.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Yoder', is placed below the word 'Sincerely,'.

Paul Yoder
Legislative Advocate

CC: Members, Senate Health Committee
Senator Josh Becker