Nondesignated Public Hospital Bridge Loan Program II

Authorizing Statute
(Section 2.00, Chapter 43, Statutes of 2022)

0977-101-0001—For local assistance, California Health Facilities Financing Authority ..... 65,000,000[(1)]

Schedule:

(1) 0885-Health Facilities Grants and Loans ..... 65,000,000[(1)]

Provisions:

1. (a) The amount appropriated in this item is available for the California Health Facilities Financing Authority to provide cashflow loans not to exceed $40,000,000 to nondesignated public hospitals, as needed, due to the financial impacts of the COVID-19 public health emergency.

   (b) Of the funds identified in this subprovision (a), the California Health Facilities Financing Authority may allocate an amount not to exceed one percent of each hospital's loan. The Department of Finance may transfer up to $400,000 to Item 0977-001-0001 to administer the loans. Any funds transferred shall be available for encumbrance or expenditure until June 30, 2025.

   (c) The California Health Facilities Financing Authority shall determine, in consultation with nondesignated public hospitals, the application process, eligibility criteria, and methodology for distribution of the loans pursuant to this provision.

   (d) In administering the loan program in this item, the California Health Facilities Financing Authority shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

   (e) Notwithstanding Sections 15432 and 15451.5 of the Government Code, nondesignated public hospitals shall be required to repay and discharge the loan within 24 months of the date of the loan.

   (f) Security for the cashflow loans in subdivisions (a) and (b) will be Medi-Cal reimbursements due to these nondesignated public hospitals from the State Department of Health Care Services. The California Health Facilities Financing Authority's recoupment of these cashflow loans may not exceed twenty percent of the nondesignated public hospital's respective Medi-Cal checkwrite payments until the loan amounts have been satisfied.

   (g) For purposes of this provision, the following definitions apply:

      1. "Nondesignated public hospital" means a public hospital as that term is defined in subdivision (l) of Section 14165.55 of the Welfare and Institutions Code, excluding those affiliated with county health systems.

(1) Of the amount appropriated in this item, $25,000,000 is available for encumbrance or expenditure until June 30, 2032, for the California Health Facilities Financing Authority to implement the Specialty Dental Clinic Grant Program.