

July 29, 2019

The Honorable Miguel Santiago
California State Assembly
State Capitol, Room 6027
Sacramento, CA 95814

RE: AB 1404 (Santiago): Nonprofit sponsors: reporting obligations as amended July 11, 2019
AAP-CA Position: Oppose

Dear Assembly Member Santiago:

The American Academy of Pediatrics, California (AAP-CA) representing the over 5,000 pediatrician members of California AAP Chapters 1, 2, 3 and 4 statewide, respectfully opposes your proposed legislation AB 1404, as amended July 11, 2019 requiring a nonprofit sponsored healthcare entity to disclose a contracted physician's personal compensation information to the Secretary of State for public inspection.

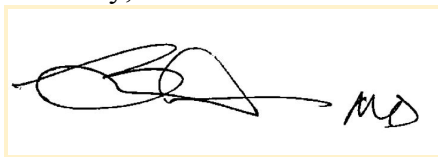
California is experiencing a healthcare workforce shortage. AB 1404 would impede the progress being made in this area.

Compensation packages ensure physician stability to provide care to patients, including children and families, over longer periods of time, resulting in more personalized care, a stronger physician-patient relationship and better health outcomes.

Further, disclosing a contracted physician's personal compensation information raises concerns for the privacy of the physicians who would be required to make this very personal information public. By making this information public, providers may not enter into contracts with entities that would be required to report compensation information under AB 1404.

For these reasons, pediatricians across the state of California respectfully oppose AB 1404.

Sincerely,



Yasuko Fukuda, MD
Chair, American Academy of Pediatrics, California

cc: AAP-CA Leadership