

Date of Hearing: May 17, 2023

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 1011 (Weber) – As Amended April 27, 2023

Policy Committee: Privacy and Consumer Protection

Vote: 11 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

**SUMMARY:**

This bill prohibits a “participating entity” from selling or exchanging “social care information” that is stored in or transmitted through a “closed-loop referral system.” The bill also prohibits the use of such information for any purpose other than the purpose for which that information was collected or generated.

The bill defines the following terms:

- 1) Social care information to mean any information, in any form, that relates to the need for, payment for, or provision of care, services, goods or supplies related to an individual’s social needs, such as support and assistance for an individual’s food stability and nutritional needs, housing, transportation, economic stability, employment, education access and quality, childcare and family relationship needs, and environmental and physical safety.
- 2) Closed-loop referral system, or “CLRS,” as a technology platform or network that does all of the following: (a) stores the social care information of one or more individuals, (b) enables the sharing of social care information with and between participating entities for the purpose of referring individuals for social care, (c) provides information to participating entities regarding the progress and outcomes of referrals for social care.
- 3) Participating entity to mean an entity that meets all of the following: (a) provides social care or refers individuals for social care, including a public agency, nonprofit organization, charitable organization, provider of health care, health care service plan or CLRS technology vendor; (b) has the ability to create, receive or update social care information in a CLRS; and (c) has the ability to create, receive or update referrals for social care in a CLRS.

**FISCAL EFFECT:**

No state costs.

**COMMENTS:**

Existing law protects the confidentiality of personal information through the California Consumer Privacy Act and healthcare-related information through the federal Health Information Portability and Accountability Act and California’s Confidentiality of Medical Information Act. The author asserts there is a “gap” in the laws that protect the privacy of sensitive information and intends this bill to fill in that gap. The bill sponsor, Findhelp—a social care referral

technology company that describes its mission as connecting all people in need with the programs that serve them with dignity and ease—contends “there are no state or federal privacy protections that apply to social care information housed in closed-loop referral systems.” Findhelp intends this bill to “ensure that self-navigation referrals remain private to the individual and the organization receiving the referral, and that there is consumer-directed control of who gets to see their private information as part of the referral process.”

**Analysis Prepared by:** Jay Dickenson / APPR. / (916) 319-2081