



# 2009 Session Health Consumer Bills

Below is a list of health consumer bills introduced in the 2009 session of the California State Legislature that have passed their house of origin and recently passed the relevant policy committee(s) in the second house. This list includes the position of Health Access California and will be updated regularly and available at [www.health-access.org](http://www.health-access.org).

## Insurance Oversight & Market Reforms

<b>AB 786</b> Jones	<b>INSURANCE MARKET STANDARDS:</b> Would sort health insurance policies into a number of categories, based on benefit comprehensiveness and cost-sharing. Organization of plans into these categories and standard terminology would enable consumers to better track premium, benefits and cost-sharing, and assist consumers in making comparisons across plans.	<i>HAC Sponsor</i>
<b>AB 1521</b> Jones	<b>BROKER COMPENSATION:</b> Would place limits on how health insurance brokers are compensated by insurers.	<i>HAC Sponsor</i>
<b>AB 119</b> Jones	<b>GENDER RATING:</b> Would prohibit insurers from charging different premium rates based on gender.	<i>Support</i>

## Insurance Rescissions

<b>AB 2</b> De La Torre	<b>INDEPENDENT REVIEW:</b> Would create an independent review process when an insurer wishes to rescind a consumer's health policy, create new standards and requirements for medical underwriting, and requires state review before plan approval. Also raises the standard in existing law so that coverage can only be rescinded if a consumer willfully misrepresents his health history.	<i>Support</i>
<b>AB 730</b> De La Torre	<b>POSTCLAIMS UNDERWRITING:</b> Would impose fines on insurers unlawfully engaging in post-claims medical underwriting.	<i>Support</i>
<b>AB 108</b> Hayashi	<b>TIME LIMIT:</b> Would impose a 24-month time limit in which insurers have to rescind, cancel, or limit individual health care policies or charge higher premiums because of fraud once a consumer's application is approved.	<i>Support</i>

## Insurance Benefit Mandates

<b>AB 98</b> De La Torre	<b>MATERNITY COVERAGE:</b> Would require most health plans to cover maternity services.	<i>Support</i>
<b>AB 244</b> Beall	<b>MENTAL HEALTH PARITY:</b> Would require most health plans to provide coverage for all diagnosable mental illnesses	<i>Support</i>



### Medi-Cal Eligibility & Retention

<b>AB 1142</b> Price	<b>PROOF OF ELIGIBILITY:</b> Would require hospitals, as soon as they have proof of a person's Medi-Cal eligibility, to provide all information regarding that person's Medi-Cal eligibility to all other providers.	<i>Support</i>
<b>AB 1269</b> Brownley	<b>DISABLED WORKERS:</b> Would allow, to the extent that federal financial participation is available, workers with disabilities who are otherwise eligible for Medi-Cal but are temporarily unemployed to elect to remain on Medi-Cal for a period up to 26 weeks.	<i>Support</i>

### Doctor and Hospital Oversight

<b>AB 171</b> Jones	<b>CONSUMER PROTECTIONS:</b> Would prohibit dentists' offices from offering high-interest loans to patients while they are under the influence of anesthesia. Would also prohibit dental offices from charging lines of credit before services have been rendered.	<i>Support</i>
<b>SB 196</b> Corbett	<b>HOSPITAL CLOSURES:</b> Requires public notice of hospital closure or reduction/elimination of emergency medical services.	<i>Support</i>

### Hospital Financing & Waiver

<b>AB 1383</b> Jones	<b>HOSPITAL COVERAGE DIVIDEND FEE:</b> Would, per federal approval, impose a coverage dividend fee on hospitals for the purpose of drawing down federal funds for increased reimbursement and children's coverage expansion. Adopted with urgency.	<i>Support with amendments</i>
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## ▶ Appendix 1: Legislation Signed Into Law

### Unemployed Workers

<b>AB 23</b> Jones	<b>Cal-COBRA:</b> Would require insurers to provide notice to individuals eligible for Cal-COBRA that federal funds are available to assist with Cal-COBRA premiums	Signed by the Governor on 5/12/09 <i>Support</i>
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## ▶ Appendix 2: Stalled Legislation; Pending for 2010

Below is a list of bills introduced in the 2009 session of the Legislature that did not pass their house of origin by June 5<sup>th</sup> or did not pass the policy committee in the second house by July 17<sup>th</sup>. In most cases, bills were held in a fiscal committee, generally because of the costs associated with the bill. Because this is the first year of a two-year session, stalled bills on hold are available for movement again in 2010, as early as January.

### Comprehensive Reform & Coverage Expansions

<b>SB 1</b> Steinberg	<b>UNIVERSAL CHILDREN'S COVERAGE:</b> Expands Healthy Families to 300% FPL and creates a Healthy Families buy-in for children in higher income families.
<b>AB 1314</b> Jones	<b>COMPREHENSIVE COVERAGE:</b> Would require the California Health and Human Services Agency to engage with stakeholders to develop a plan to enact broad-based reforms to the state's health care system and to present the plan to the Legislature no later than April, 1, 2010.
<b>SB 56</b> Alquist	<b>COMPREHENSIVE COVERAGE:</b> Would create the California Health Benefits Service Program for the purpose of expanding cost-effective public health coverage options to the uninsured and purchasers of health insurance.
<b>SB 810</b> Leno	<b>SINGLE PAYER SYSTEM:</b> Would establish a single-payer health care system in California that would enable all residents to have health coverage.

### Doctor and Hospital Oversight

<b>AB 1503</b> Lieu	<b>EMERGENCY ROOM FAIR PRICING:</b> Would limit the amount that emergency room physicians and surgeons can charge an uninsured or underinsured patient with income below 350% FPL. <b>HAC Sponsor</b>
<b>AB 542</b> Feuer	<b>HOSPITAL-ACQUIRED CONDITIONS:</b> Creates regulations around non-payment of hospital-acquired conditions and bans hospitals from billing patients or insurers for such conditions

### Unemployed Workers

<b>SB 727</b> Cox	<b>Cal-COBRA:</b> Would require a health insurer to offer continuation coverage to a person covered under a group plan if the employer terminates the plan and does not provide a successor group benefit plan to its employees.
<b>SB 796</b> Alquist	<b>Cal-COBRA:</b> Would delete the requirement that COBRA coverage must be exhausted in order for an individual to qualify for access to individual health coverage under HIPAA.

### Benefit Mandates

<b>AB 214</b> Chesbro	<b>DURABLE MEDICAL EQUIPMENT:</b> Would require most health plans to offer coverage for durable medical equipment, (e.g. wheelchairs and shower seats).
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**Medi-Cal Eligibility & Retention**

<b>AB 963</b> Ammiano	<b>ELIGIBILITY PROCESSES:</b> Would update and streamline Medi-Cal administrative computer systems and enrollment/renewal processes.
<b>SB 114</b> Liu	<b>FOSTER YOUTH:</b> Would simplify the Medi-Cal renewal process for youth in foster care.
<b>SB 438</b> Yee	<b>CHILDREN'S COVERAGE:</b> Would allow for accelerated enrollment of children into Medi-Cal by county agencies.

**Insurance Oversight & Market Reforms**

<b>AB 29</b> Price	<b>DEPENDENT COVERAGE:</b> Would allow individuals up to age 27 to remain on a private insurance policy as a dependent, but employers are not required to contribute to the cost of coverage for dependents over 23.
<b>AB 722</b> Lowenthal	<b>PREEXISTING CONDITION EXCLUSION:</b> Would prohibit individual insurance plans from denying coverage due to a pre-existing condition.
<b>AB 812</b> De La Torre	<b>MEDICAL-LOSS RATIO REPORTING:</b> Would require health plans to submit annual reports on their medical-loss ratio to the state, and requires the state to establish uniform medical-loss ratio reporting standards.
<b>AB 1218</b> Jones	<b>HEALTH INSURANCE RATE APPROVAL:</b> Requires HMOs and health insurer to get approval for increases in premiums and cost-sharing from DMHC and DOI, respectively.
<b>SB 227</b> Alquist	<b>HIGH-RISK POOL:</b> Would require insurers to accept members of the high-risk pool at the rate set by MRMIB or pay a fee used to fund MRMIP. Would also increase the tobacco tax funds dedicated to fund MRMIP.
<b>SB 316</b> Alquist	<b>CAPPING ADMINISTRATION AND PROFIT:</b> Would set a minimum medical loss ratio -- requiring every insurer to spend at least 85 percent of premiums on patient care.

▶ **Appendix 3: Stalled Legislation Opposed by Health Access CA**

**Market Reforms & Health Savings Accounts**

<b>AB 326</b> Garrick	<b>HEALTH SAVINGS ACCOUNTS:</b> Would allow a tax deduction for health savings accounts to be used with high-deductible health plans.
<b>SB 353</b> Dutton	<b>HEALTH SAVINGS ACCOUNTS:</b> Would allow a tax deduction for health savings accounts to be used with high-deductible health plans.
<b>SB 92</b> Aanestad	<b>OMNIBUS HEALTH REFORM MEASURE:</b> Narrows definition of medical necessity; allows association health plans; Health Savings Accounts for CalPERS, commercial HMOs and insurers, and Medi-Cal; allows sale of health insurance across state lines, voiding state consumer protections and financial solvency requirements; weakens utilization review requirements; eliminates mandates for pap smears, mammograms, childhood immunizations, diabetes supplies and numerous other protections but only for those below 350% FPL; changes Medi-Cal to defined contribution plan, including for persons with disabilities; and numerous other provisions.

**Medi-Cal and MRMIP High-Risk Pool Coverage**

<b>AB 1037</b> Lowenthal	<b>MANDATORY MANAGED CARE FOR SENIORS AND PERSONS WITH DISABILITIES:</b> But only in Riverside and San Bernardino Counties.
<b>SB 57</b> Aanestad	<b>HIGH-RISK POOL:</b> Allows insurers to sell policies with "riders" that exclude coverage for a medically uninsurable condition. Creates a "rider" pool for applicants. Increase eligibility barriers for MRMIP, deletes cap on cost-sharing, requires MRMIP to include option compatible with Health Savings Accounts, increase the annual benefit limit in MRMIP plans to \$150,000, and increase the tobacco tax funds dedicated to fund MRMIP.