**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| BILL NUMBER | SUMMARY | BILL STATUS |
|---|---|---|
| **AB 43 (Monning)**<br><br>**Version:** As amended, May 27, 2011 | **Medi-Cal: eligibility expansion**<br><br>Effective January 1, 2014, this bill would expand Medi-Cal coverage to persons with income not exceeding 133% of the federal poverty level. Among other provisions, this bill would require the DHCS to establish eligibility for Medi-Cal benefits for any person who meets the requirements of a new Medicaid eligibility category added by the Affordable Care Act (ACA). This bill is related to SB 677 (Hernandez). | **Location:** Senate Appropriations<br>**Hearing Date**: None Scheduled |
| **AB 52 (Feuer)**<br><br>**Version:** As amended, June 1, 2011 | **Health care coverage: DMHC and CDI rate approval**<br><br>Among other provisions, this bill would require that the DMHC and the CDI prior approve all health plan and insurance rate changes and rates for new products, and would prohibit the DMHC and the CDI from approving any rate or rate change that is found to be excessive, inadequate, or unfairly discriminatory. The bill would also authorize the DMHC and the CDI to approve, deny, or modify any proposed rate or rate change, as well as authorize the DMHC and the CDI to review any rate or rate change that went into effect between January 1, 2011 and January 1, 2012, and to order refunds subject to this bill's provisions. | **Location:** Senate Inactive File<br><br>**Hearing Date**: None Scheduled |
| **AB 714 (Atkins)**<br><br>**Version:** As amended, June 30, 2011 | **California health benefit exchange: eligibility disclosure**<br><br>This bill would require the DHCS, the CDPH, and the MRMIB to provide two specified notices of potential health care eligibility through the Exchange to every individual enrolled in, or ceased to be enrolled in, specified publicly-funded state health care programs. The bill would also require certain hospitals, when billing, to include additional disclosures regarding health care coverage through the Exchange. | **Location:** Senate Appropriations<br>**Hearing Date**: None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **AB 792 (Bonilla)**<br><br>**Version:** As amended, August 17, 2011 | **California Health Benefit Exchange: transfer of individual health information**<br><br>Effective January 1, 2014, this bill would require health plans and insurers, upon termination of an enrollee's employer-sponsored coverage or nonrenewal of individual coverage, and, contingent upon obtaining consent, to transfer information to the Exchange for purposes of enrolling those individuals in coverage. The bill also requires disclosure of information on health care coverage through the Exchange, under specified circumstances, by health plans, insurers, employers, employee associations or other entities, and the courts. | **Location**: Senate Appropriations<br>**Hearing Date**: None Scheduled |
| **AB 1083 (Monning)**<br><br>**Version:** As amended, September 2, 2011 | **Small Group Market**<br><br>Among other provisions, this bill would change the definitions and criteria related to eligible employees and rating periods, and, for plan years commencing on or after January 1, 2014, risk adjustment factors, age categories, and health status-related factors, as specified. The bill would prohibit the use of risk adjustment factors and preexisting condition provisions on and after January 1, 2014.<br><br>With regard to premium rates charged by a health plan on and after January 1, 2014, the bill would only allow rates to be varied with respect to family rating, rating area, and age, as specified. The bill would change the definition of small employer and would require employer contribution requirements to be consistent with the ACA. With regard to the sale of plan contracts or health benefit plans, the bill would prohibit specified persons or entities from encouraging or directing small employers to seek coverage from another plan or the voluntary purchasing pool established under the Exchange.<br><br>The bill would also require all policies of individual health insurance that are offered, sold, renewed, or delivered on or after January 1, 2014, to provide coverage for essential health benefits, as defined, except as specified. | **Location:** Senate Inactive File<br><br>**Hearing Date**: None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **AB 1453 (Monning)**<br><br>**Version:** As amended, April 17, 2012 | **Essential health benefits: coverage**<br><br>This bill would require an individual or small group health plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the benefits and services covered by the Kaiser small group HMO. The bill would specify that this provision applies regardless of whether the contract or policy is offered inside or outside the Exchange, but would provide that it does not apply to grandfathered plans or plans that offer excepted benefits, as specified.<br><br>The bill would prohibit a health plan or insurer, when offering, issuing, selling, or marketing a plan contract or policy, from indicating or implying that the contract or policy covers essential health benefits unless the contract or policy covers essential health benefits as provided in the bill. This bill is related to SB 951 (Hernandez). | **Location:** Senate Appropriations<br>**Hearing Date**: None Scheduled |
| **AB 1461 (Monning)**<br><br>**Version:** As amended, April 9, 2012 | **Individual Health Care coverage**<br><br>This bill would prohibit a health plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2014, from imposing any preexisting condition provision upon any individual, except as specified. The bill would require a plan or insurer, on and after January 1, 2014, to offer, market, and sell all of the plan's health benefit plans that are sold in the individual market to all individuals in each service area in which the plan provides or arranges for the provision of health care services, but would require plans and insurers to limit enrollment to specified open enrollment and special enrollment periods.<br><br>Commencing January 1, 2014, the bill would prohibit a plan or insurer from conditioning the issuance or offering of individual health benefit plans on any health status-related factor, as specified, and would authorize plans and insurers to use only age, geographic region, and family size for purposes of establishing rates for individual health benefit plans. The bill would enact other related provisions and make related conforming changes. This bill contains other related provisions and other existing laws. This bill is related to SB 961 (Hernandez). | **Location:** Senate Appropriations<br>**Hearing Date:** None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **AB 1580 (Bonilla)**<br><br>**Version:** As introduced, February 2, 2012 | **Health care: eligibility: enrollment**<br><br>This bill would make technical and clarifying changes to provisions enacted in AB 1296 (Bonilla-2011), relating to revised and simplified applications for state health subsidy programs. The bill clarifies that a requirement granting an applicant benefits during the time the application for eligibility is being reviewed, also known as presumptive eligibility or PE, is not intended to grant a right to PE beyond what is currently required. The bill also clarifies that when the applicant appears to be eligible for Medi-Cal under the aged, blind, or disabled category, but is determined to be ineligible after a screening for the new Modified Adjusted Gross Income category, the application will be forwarded to the Medi-Cal program for further determination. | **Location:** Senate Appropriations<br>**Hearing Date:** None Scheduled |
| **AB 1636 (Monning)**<br><br>**Version:** As amended, June 25, 2012 | **California Health Benefit Exchange: health and wellness programs**<br><br>This bill would require the DMHC, in collaboration with the DOI, HBEX, and the DPH, to convene a special committee consisting of specified members to review and evaluate health and wellness incentive and rewards programs offered by health care service plans, health insurers, and employers. The bill would require the committee to evaluate these programs for effectiveness based upon scientific evidence and to examine the extent to which these programs may result in specified discrimination. The bill would require the committee to meet publicly and would require the first meeting to be conducted no later than March 30, 2013. | **Location:** Senate Appropriations<br>**Hearing Date:** None Scheduled |
| **AB 1761 (Perez)**<br><br>**Version:** As introduced, February 17, 2012 | **California Health Benefit Exchange: unfair business practices**<br><br>This bill would prohibit an individual or entity from holding himself, herself, or itself out as representing, constituting, or otherwise providing services on behalf of the Exchange, unless that individual or entity has a valid agreement with the Exchange to engage in those activities. The bill would specify that it is an unfair business practice for health plans, entities engaged in the solicitation of health plan contracts, and persons engaged in the business of insurance to violate this provision. | **Location:** Senate Appropriations<br>**Hearing Date:** None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **AB 1766 (Bonilla)**<br><br>**Version:** As amended, April 9, 2012 | **California Health Benefit Exchange: small business health options program**<br><br>This bill would prohibit the Small Business Health Options Program from informing an eligible employee or dependent thereof about, or screening that employee or dependent for eligibility for, a premium tax credit, the Medi-Cal program, the Healthy Families Program, or any other state or local public program. | **Location:** Assembly Health<br>**Hearing Date**: None Scheduled |
| **AB 1809 (Monning)**<br><br>**Version**: As amended, May 1, 2012 | The DMHC and the CDI are required to maintain a joint senior level work group to ensure clarity for consumers about who enforces patient rights and consistency in the regulations in these departments. This bill would delete provisions that require the work group to submit findings to the Director and the Commissioner, and the Director and Commissioner to submit a report to the Legislature every year for 5 years, beginning January 1, 2004.<br><br>Existing federal law regarding medical loss ratio requires health plans and insurers to provide rebates to current and former enrollees in a lump sum check, premium credit, or other specified reimbursement methods. This bill would make these provisions of federal law applicable to a health plan and health insurer with respect to the method by which it provides premium rebates to current and former enrollees or insureds, as specified. The bill would require a health care service plan and health insurer to make a good faith effort to locate its former enrollees or insureds that are entitled to the rebate.<br><br>This bill would create the Health Care Coverage Information, Enrollment, and Eligibility Assistance Account within the California Health Trust Fund. The bill would require a health care service plan and health insurer that is unable to locate its former enrollees or insureds who are entitled to a premium rebate to cause those rebate funds to be deposited in the account to be continuously appropriated for purposes of distributing funding for health care coverage information, enrollment, and eligibility assistance. | **Location:** Assembly Appropriations<br>**Hearing Date**: None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **AB 1846 (Gordon)**<br><br>**Version:** As amended, June 28, 2012 | **Consumer operated and oriented plans (CO-OPs)**<br><br>Among other provisions, this bill would authorize the Director of the DMHC to issue a health plan license and the Insurance Commissioner to issue a certificate of authority to a consumer operated and oriented plan (CO-OP) established consistent with the ACA, as specified. The bill would also specify that qualified CO-OPs are subject to all other provisions of law relating to insurance, and would further specify that a CO-OP insurer and any solvency loan obtained by the CO-OP pursuant to the ACA are subject to certain requirements imposed on mutual insurers.<br><br>This bill would specify that a CO-OP health plan or insurer that enters into a contract to offer qualified health plans in the Exchange is subject to the same requirements, terms, and conditions imposed on other carriers participating in the Exchange. The bill would authorize the Exchange to impose terms, conditions, and price on a CO-OP health plan or insurer if an agreement cannot be reached and would also authorize the Exchange to impose contract sanctions and take any other actions authorized by federal law if a CO-OP health plan or insurer fails to comply with any contractual provisions. To the extent permitted under federal law, the bill would authorize the Exchange to limit enrollment in the qualified health plans of a CO-OP health care service plan or insurer offered in the Exchange if the carrier fails to comply with Exchange contract specifications. | **Location:** Senate Appropriations<br>**Hearing Date**: None Scheduled |
| **AB 1869 (Perez)**<br><br>**Version:** As introduced on February 22, 2012 | **Office of the Patient Advocate: federal veterans health benefits**<br><br>This bill adds federal veterans' health benefits to the example of the type of information and assistance regarding public programs that the Office of Patient Advocate (OPA) shall do in order to assist in implementing federal health reform in California commencing, January 1, 2013. | **Location:** Assembly Enrollment<br>**Hearing Date**: None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **AB 1921 (Hill)**<br><br>**Version:** As amended, April 23, 2012 | **Health insurance: transitional reinsurance program**<br><br>This bill, until January 1, 2018, would establish a transitional reinsurance program for health plans, and require participation by health plans and health insurers. The bill would require the Insurance Commissioner to select a reinsurance entity, which would collect payments from contributing health plans and the United States Department of Health and Human Services on behalf of self-insured group plans and pay claims, as specified.<br><br>The bill would authorize the Commissioner and the Director the DMHC to take various actions to implement the program. The bill would require contributing entities to make payments to the reinsurance entity no earlier than October 1, 2013, and would provide for the reinsurance entity to pay claims to a reinsurance-eligible recipient no earlier than January 1, 2014, with payments and claims to cease on December 31, 2016, except for necessary adjustments. | **Location:** Senate Health<br><br>**Hearing Date:** None Scheduled |
| **AB 2034 (Fuentes)**<br><br>**Version:** As amended, June 15, 2012 | **Medical Care: genetically handicapping conditions**<br><br>This bill would require the DHCS to develop a plan for the administration of the Genetically Handicapped Persons Program (GHPP) after the implementation of the ACA. This bill would require the plan to address, among other things, preservation of the availability of wrap-around services that would otherwise not be available through the ACA and the addition of genetic amyotrophic lateral sclerosis to the list of conditions covered under the GHPP or any subsequent care model developed after implementation of the ACA. This bill would require the DHCS to submit the plan to the relevant fiscal and policy committees of the Legislature by July 1, 2013. | **Location**: Assembly Appropriations Suspense File<br>**Hearing date**: None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **AB 2508 (Bonilla)**<br><br>**Version:** As amended, July 2, 2012 | **Public Contracts: public health agencies**<br><br>This bill would, with specified exceptions, prohibit a state agency authorized to contract for public benefit programs from contracting for call center services with a contractor or subcontractor unless that contractor or subcontractor certifies under penalty of perjury in his or her bid for the contract that the contract, and any subcontract performed under that contract, will be performed solely with workers employed in California. This bill would specify that the Governor may waive these requirements during a declared emergency. This bill would also require the contract to include a clause for termination for noncompliance and specified penalties, if the contractor or subcontractor performs the contract or the subcontract with workers outside of California during the life of the contract. | **Location:** Senate Appropriations<br>**Hearing Date**: None Scheduled |
| **SB 35 (Padilla)**<br><br>**Version:** Last amended, June 27, 2012 | **Voter Registration Agencies**<br><br>Expands the list of public assistance agencies required by the national Voter Registration Act of 1993 (NVRA) to provide voter registration opportunities and codifies various other provisions of the NVRA. | **Location:** Assembly Appropriations<br>**Hearing Date**: None Scheduled |
| **SB 615 (Calderon)**<br><br>**Version:** As amended, June 18, 2012 | **Health plans: accident and health agents: licensure**<br><br>This bill would prohibit a multiple employer welfare arrangement (MEWA) from offering, issuing, selling, or renewing health care coverage benefits unless the MEWA discloses whether the benefits constitute minimum essential coverage in its marketing materials. | **Location**: Assembly Health<br>**Hearing Date**: None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **SB 677 (Hernandez)**<br><br>**Version:** As amended, May 23, 2011 | **Medi-Cal: eligibility**<br><br>This bill would provide, to the extent required by federal law, that the DHCS may not apply an assets or resources test for purposes of determining eligibility for Medi-Cal or under a Medi-Cal waiver, except as specified. This bill would also require, to the extent required by federal law, the DHCS to use the modified adjusted gross income of an individual, or the household income of a family, if applicable, for the purposes of determining income eligibility for Medi-Cal or under a Medi-Cal waiver, except as specified. The bill would provide that these provisions shall become operative on January 1, 2014. Because each county is responsible for making Medi-Cal eligibility determinations, the bill would increase the duties of county officials and would thereby impose a state-mandated local program. | **Location:** Assembly Appropriations<br>**Hearing Date:** None Scheduled |
| **SB 703 (Hernandez)**<br><br>**Version:** As amended, June 25, 2012 | **Health care coverage: Basic Health Program**<br><br>This bill would establish in State government a Basic Health Program (BHP), to be administered by the Department of Health Care Services (DHCS) to provide coverage to eligible individuals. The bill would require the DHCS to enter into a contract with the United States Secretary of Health and Human Services (HHS) to implement the BHP, and would set forth the powers and duties of the DHCS regarding this program. The bill would require the DHCS to begin enrollment in the program on January 1, 2014, and would create the Basic Health Program Trust Fund (BHP Trust Fund) for this purpose.<br><br>The bill would require the DHCS to negotiate contracts with health plans to provide, or pay for, benefits under the BHP. The bill contains other related provisions of the DHCS regarding this program. The bill would also require the DHCS to begin enrollment in the program on January 1, 2014, and would create the Basic Health Program Trust Fund (BHP Trust Fund) or this purpose. The bill would require the DHCS to negotiate contracts with health plans to provide, or pay for, benefits under the BHP. The bill contains other related provisions. | **Location:** Assembly Appropriations<br>**Hearing Date:** None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **SB 728 (Hernandez)**<br><br>**Version:** As amended, May 31, 2011 | **California Health Benefit Exchange: risk adjustment system**<br><br>As amended, this bill would require that the Board of the Exchange, to the extent required by federal law, work with the Office of Statewide Health Planning and Development (OSHPD), the CDI, and the DMHC to develop a risk adjustment system for health plans and insurers selling health coverage in the individual and small group market, both inside and outside of the Exchange. The risk adjustment system is designed to move funds from health plans and insurers with lower-actuarial-risk enrollees and insureds to health plans and insurers with higher-actuarial-risk enrollees and insureds in order to minimize adverse selection against health coverage provided in the Exchange. | **Location:** Assembly Appropriations<br>**Hearing Date:** None Scheduled |
| **SB 951 (Hernandez)**<br><br>**Version:** As amended, April 16, 2012 | **Health care coverage: essential health benefits: benchmark plan, Kaiser**<br><br>This bill would require individual and small group health plans and health insurance policy contracts, both inside and outside of the Exchange, to cover EHBs, as defined. This bill would also designate the Kaiser Small Group HMO as California's benchmark plan to serve as the EHB standard, as required by the ACA. This bill is related to AB 1453 (Monning). | **Location:** Assembly Appropriations<br>**Hearing Date**: None Scheduled |
| **SB 961 (Hernandez)**<br><br>**Version:** As amended, April 9, 2012 | **Individual Market Reform**<br><br>This bill would prohibit a health plan contract or health insurance policy from imposing any preexisting condition provision upon any individual, except as specified. The bill would require a plan or insurer, on and after January 1, 2014, to offer, market, and sell all of the plan's health benefit plans that are sold in the individual market to all individuals in each service area in which the plan provides or arranges for the provision of health care services, but would require plans and insurers to limit enrollment to specified open enrollment and special enrollment periods.<br><br>The bill would prohibit a plan or insurer from conditioning the issuance or offering of individual health benefit plans on any health status-related factor, as specified, and would authorize plans and insurers to use only age, geographic region, and family size for purposes of establishing rates for individual health benefit plans. The bill would enact other related provisions and make related conforming changes. This bill is related to AB 1461 (Monning). | **Location:** Assembly Appropriations<br>**Hearing Date**: None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **SB 970 (De Leon)**<br><br>**Version:** As amended, May 29, 2012 | **Horizontal Integration**<br><br>This bill would require a county human services department to allow an applicant initially applying for, or renewing, health care coverage using the single state application developed pursuant to the Health Care Reform Eligibility, Enrollment, and Retention Planning Act, with the applicant's consent, to have his or her application information used to simultaneously initiate applications for CalWORKs and CalFresh as specified, unless the Secretary of Health and Human Services determines that to do so would delay the implementation of the single, standardized application for state health subsidy programs, as defined by specified existing law.<br><br>The bill would require the California Health and Human Services Agency to convene a workgroup of human services and health care advocates, legislative staff, and other specified representatives, to identify other human services and work support programs that might be integrated into this cross-application process. Implementation of the process created by the bill would be required by December 31, 2015, except as specified. | **Location:** Assembly Appropriations<br>**Hearing Date**: None Scheduled |
| **SB 1321 (Harmon)**<br><br>**Version:** As amended, May 30, 2012 | **Exchange; essential health benefits: benchmark plan**<br><br>This bill would require the board of the Exchange to determine the total cost of benefits for each health plan listed as an essential health benefits benchmark plan option in regulations adopted pursuant to the ACA. The bill would require that the plan with the lowest total cost of benefits set the benchmark for items and services to be included in the definition of essential health benefits under the ACA. The bill would also specify that its provisions shall only be implemented to the extent consistent with regulations adopted pursuant to the ACA. | **Location:** Senate Health<br><br>**Hearing Date:** None Scheduled |

**CALIFORNIA HEALTH BENEFIT EXCHANGE**
**STATE LEGISLATIVE REPORT**
**BOARD MEETING UPDATE**

**Last updated: July 12, 2012**

| | | |
|---|---|---|
| **SB 1431 (De Leon)**<br><br>**Version:** As amended, June 27,2012 | **Health insurance: stop loss coverage**<br><br>This bill would require a stop-loss carrier, as defined, to offer coverage to all employees and dependents of a small employer to which it issues a stop-loss insurance policy and would prohibit the carrier from excluding any employee or dependent on the basis of actual or expected health status-related factors, as specified.<br><br>Except as specified, the bill would require a stop-loss carrier to renew, at the option of the small employer, all stop-loss insurance policies. The bill would prohibit a stop-loss insurance policy issued on or after January 1, 2012, to a small employer from containing certain unspecified individual or aggregate attachment points, as defined, for a policy year or providing direct coverage, as defined, of an employee's health claims. The bill would make a stop-loss carrier in violation of these provisions subject to administrative penalties and would direct those fine and penalty moneys received to the General Fund to be available upon appropriation by the Legislature. The bill would, in addition, exempt the ongoing operation of MEWAs, as specified, from the operation of these provisions. | **Location:** Assembly Appropriations<br>**Hearing Date:** None Scheduled |
| **SB 1487 (Hernandez)**<br><br>**Version:** As amended, April 30, 2012 | **Health Reform: Intent to implement Affordable Care Act provisions.**<br><br>States legislative intent to enact into state law any provision of the Affordable Care Act that may be struck down by the United States Supreme court and is necessary to ensure that all Californians receive the full promise of the act. | **Location:** Senate Appropriations<br>**Hearing Date**: None Scheduled |