

MANAGED RISK MEDICAL INSURANCE BOARD
STATE LEGISLATIVE REPORT

January 11, 2012

Active Bills	Summary
AB 43 (Monning)	Medi-Cal: Eligibility
Version: A-5/27/2011 Sponsor: Author Status: Assembly – Inactive	Would require the Department of Health Care Services to change Medi-Cal eligibility requirements to comply with the Medicaid expansions provided for in the federal Affordable Care Act beginning in 2014. The expansions are intended to include all non-elderly, non-pregnant and non-Medicare eligible individuals with incomes that do not exceed 133 percent of the federal poverty level. Among other provisions, the Medicaid expansion changes the income eligibility level for children ages 6 to 18 from 100 percent to 133 percent FPL and therefore changes HFP income eligibility standards.
AB 52 (Feuer)	Health Care Coverage: Rate Approval
Version: A-6/1/2011 Sponsor: Author Status: Senate – Inactive	Would require a health care service plan or health insurer to receive approval from the departments of Managed Health Care or Insurance prior to implementing any new rate or rate change for individual or group contracts or policies, beginning January 1, 2012. The bill would also prohibit DMHC or DOI from approving any rate or rate change that is found to be excessive, inadequate or unfairly discriminatory and would authorize the imposition of fees and civil penalties on health care service plans and health insurers for violating its provisions.
AB 652 (Mitchell)	Child Health Assessments
Version: A-5/10/2011 Sponsor: L.A. County Status: Assembly – Appropriations Suspense	Would require that an initial health assessment and a forensic medical evaluation for children newly placed in out-of-home care be a covered benefit under the Healthy Families Program, the Medi-Cal Program and health care service plans licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975. According to the author, the Los Angeles County Department of Health Services provides initial medical examinations and forensic evaluations to all referred children, but is only reimbursed for these services when they are provided to children with fee-for-service Medi-Cal.
AB 714 (Atkins)	Health Care Coverage: California Health Benefit Exchange
Version: A-6/30/2011 Sponsor: Health Access Status: Senate – Appropriations Suspense	Would require certain public insurance programs, including the Healthy Families Program, Access for Infants and Mothers, Major Risk Medical Insurance Program and Pre-Existing Condition Insurance Plan to notify individuals who cease to be enrolled that they may be eligible for coverage provided by the Exchange. Upon approval from the federal government, the bill would require these programs to transfer information to the Exchange to initiate eligibility determinations and enrollment. The bill would also require certain hospitals, when billing, to include additional disclosures regarding the availability of health care coverage provided through the Exchange.

* New since last Board meeting.

Bill	Summary
<p>AB 792 (Bonilla)</p> <p>Version: A-8/17/2011</p> <p>Sponsor: Author</p> <p>Status: Senate – Appropriations Suspende</p>	<p>Health Care Coverage: California Health Benefit Exchange</p> <p>Would require the courts, health care service plans, health insurers, employers, employee associations and other entities to notify individuals who may have had their health coverage suspended that they may be eligible for coverage provided by the Exchange. The bill would also require some of these entities to transfer information to the Exchange to initiate eligibility determinations and enrollment.</p>
<p>AB 823 (Dickinson)</p> <p>Version: A-8/15/2011</p> <p>Sponsor: Children Now</p> <p>Status: Senate – Appropriations Suspende</p>	<p>Children's Cabinet of California</p> <p>Would establish the Children's Cabinet of California to advise and make recommendations to the Governor and the Legislature on ways to improve collaboration among state agencies and departments that provide services to children and ways to improve those services. The bill would specify that the Cabinet consists of the Superintendent of Public Instruction, the Secretary of the California Health and Human Services Agency, the Chief Justice of the California Supreme Court, the heads of several other specified agencies and departments within the state and two members each of the Assembly and the Senate.</p>
<p>AB 1072 (Fuentes)</p> <p>Version: A-6/21/2011</p> <p>Sponsors: Author</p> <p>Status: Senate – Appropriations Suspende</p>	<p>Community Development: California Promise Neighborhoods Initiative</p> <p>Would establish the California Promise Neighborhoods Initiative in the Office of Economic Development to support children's development and improve community efforts regarding the health, safety, education and economic development within participating neighborhoods. This bill would specify that the OED use existing state resources, available federal funds and grants, donations and other public and private financial support. The bill would require the OED to work with the California Health and Human Services Agency and local counties to establish participation goals for the Healthy Families Program, CalFresh, Medi-Cal and other programs that it identifies.</p>
<p>AB 1083 (Monning)</p> <p>Version: A-9/2/2011</p> <p>Sponsors: Health Access; Small Business Majority</p> <p>Status: Senate – Inactive</p>	<p>Health Care Coverage: ACA Conformity</p> <p>Would conform state law to certain provisions in the Affordable Care Act related to small business health care coverage. The bill would also make necessary changes to state law to implement certain ACA requirements related to individual health insurance products. Among other changes, this bill would enact the following, beginning in 2014: a prohibition on limiting or excluding coverage on the basis of health status or a pre-existing condition; a prohibition on applying risk adjustment factors; and a requirement that rate adjustments for age not vary by a ratio of more than three to one for adults. The bill would also implement the federal option to define a small employer as having 1 to 50 eligible employees from January 1, 2014, until December 31, 2015, and define a small employer as having at least 1, but no more than 100, eligible employees, on or after January 1, 2016.</p>
<p>AB 1334 (Feuer)</p> <p>Version: A-5/5/2011</p> <p>Sponsor: Author</p> <p>Status: Senate – Health</p>	<p>Individual Health Plans: Essential Benefits and Actuarial Value of Coverage</p> <p>Would require health care service plans and health insurers, from July, 2012 through December 2013, to disclose whether or not their products meet the essential benefits threshold set forth in the Affordable Care Act and whether or not their products offer an actuarial value of more than 70 percent. Beginning July 1, 2014, it would also require health care service plans and health</p>

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Bill	Summary
	insurers to categorize all products offered in the individual market into five tiers according to actuarial value as set forth in the Affordable Care Act: bronze, silver, gold, platinum and catastrophic.
* AB 1453 (Monning)	Essential Health Benefits
Version: I-1/5/2012	Would require that individual and small group coverage offered by health care service plans and health insurers meets the essential health benefits threshold set forth in the Affordable Care Act. Specifically, the bill would require that by March 1, 2013, the board of the California Health Benefits Exchange submit to the Assembly and Senate Health Committees a recommendation of an existing health plan to serve as the benchmark for the coverage to be included in the definition of essential health benefits.
Sponsor: Author	
Status: Assembly – Introduced	
* AB 1461 (Monning)	Health Insurance
Version: I-1/9/2012	Would implement several Affordable Care Act provisions related to the offer, sale, issuance and renewal of individual health benefits, beginning in 2014.
Sponsor: Author	This bill would require health insurers that offer individual and small group coverage to issue coverage to every individual or employer that applies for that coverage, regardless of health status. The bill would also require that the coverage could not be terminated nor the rate charged be varied based on health status. SB 961 contains similar provisions that would apply to health care service plans.
Status: Assembly – Introduced	
* SB 166 (Steinberg)	Health Care Coverage: Mental Illness: Autism Spectrum Disorders
Version: A-1/4/2012	Would exempt Healthy Kids coverage from the provisions of SB 946 (Chapter 650, Statutes of 2011) requiring health care service plans and health insurance policies to cover “behavioral health treatment” for pervasive developmental disorder or autism. The bill defines “Healthy Kids coverage” as a child-only health care service plan contract administered by a county, county agency, local initiative, a county organized health system or a health authority that provides health care coverage to children in families with incomes below 400 percent of the federal poverty level and who are not eligible for Medi-Cal or the Healthy Families program and that provides coverage similar to the coverage in HFP. Healthy Families and Medi-Cal were exempted from the requirements of SB 946.
Sponsor: Author	
Status: Senate – Health	
SB 486 (Dutton)	California Children and Families Program: Funding
Version: I-2/17/2011	Would submit to the voters an initiative to abolish the California Children and Families Commission and the county children and families commissions, effective 90 days after approval in the next statewide general election. This bill would take effect immediately as an urgency statute.
Sponsor: Author	
Status: Senate – Health	
SB 635 (Hernandez)	Health Care: Workforce Training
Version: A-5/31/2011	Would shift managed care administrative fine and penalty funding from the Major Risk Medical Insurance Program to family practice residency programs, physician assistant and nurse practitioner programs and registered nurse education programs administered by the Office of Statewide Health Planning and Development under the Song-Brown Workforce Training Act beginning on the date that MRMIP becomes inoperative.
Sponsor: Author	
Status: Assembly – Health	

* New since last Board meeting.

Bill	Summary
SB 677 (Hernandez)	Medi-Cal: Eligibility: ACA Conformity
Version: A-5/23/2011 Sponsor: Author Status: Senate – Appropriations Suspense	Would prohibit the Department of Health Care Services from applying an assets or resources test for purposes of determining eligibility for Medi-Cal or under a Medi-Cal waiver. This bill would also require the department to use the modified adjusted gross income of an individual, or the household income of a family for the purposes of determining income eligibility for Medi-Cal. The bill would provide that these provisions shall become operative on January 1, 2014.
* SB 683 (Correa)	Early Intervention Services: Assessments
Version: A-1/4/2012 Sponsor: Arc of California, United Cerebral Palsy Status: Senate – Appropriations	Would direct the Secretary of the Health and Human Services Agency and the Superintendent of Public Instruction to require the use of an electronic integrated assessment instrument to consolidate assessments used by various state and local agencies that provide services to children with disabilities.
* SB 690 (Hernandez)	Health Care Coverage: Discrimination
Version: A-1/10/2012 Sponsor: Author Status: Senate – Appropriations	Would implement the Affordable Care Act provisions prohibiting health insurers and health care service plans from discriminating against entire classes of providers who are acting within their scopes of licensure or certification. The bill specifies that it would not require that health plans contract with any health care provider willing to abide by the terms and conditions for participation in the plan nor would it prevent a health plan from establishing varying reimbursement rates based on quality performance measures.
* SB 694 (Padilla)	Dental Care: Statewide Office of Oral Health
Version: A-1/4/2012 Sponsor: Children's Partnership Status: Senate – Appropriations	Would create a Statewide Office of Oral Health within the Department of Public Health to advance and protect the oral health of all Californians and would require that a licensed dentist serve as the dental director. The bill would require that the Office design and implement a study to assess safety, quality, cost-effectiveness and patient satisfaction for irreversible dental procedures performed by traditional and nontraditional providers.
SB 703 (Hernandez)	Managed Risk Medical Insurance Board: Basic Health Program
Version: A-7/12/2011 Sponsor: Local Health Plans of California Status: Assembly – Appropriations Suspense	Would require the Managed Risk Medical Insurance Board to establish a basic health program pursuant to the federal Patient Protection and Affordable Care Act and specifies MRMIB's responsibilities and authorities to administer the program accordingly. Section 1331 of the Affordable Care Act provides for a state option to establish one or more "Basic Health" insurance plans for individuals between 133 percent and 200 percent of the federal poverty level instead of offering those individuals coverage through the Exchange. Coverage is provided through competitive contracting with standard health plans. Plans must provide at least the essential health benefits and individual premiums must be no greater than the corresponding silver plan on the Exchange. Federal payment for the cost of coverage in a Basic Health Program would be up to 95 percent of the coverage in the Exchange.

* New since last Board meeting.

Bill	Summary
SB 728 (Hernandez)	Health Care Coverage: Risk Adjustment System: ACA Conformity
Version: A-5/31/2011	Would require the board of the California Health Benefit Exchange to work with the Office of Statewide Health Planning and Development, the Department of Insurance and the Department of Managed Health Care to develop a risk adjustment system for products sold in the Exchange and outside of the Exchange as required under the Affordable Care Act.
Sponsor: Author	
Status: Assembly – Health	
* SB 764 (Steinberg)	Developmental Services: Telehealth Systems Program
Version: A-1/4/2012	Would require the Department of Developmental Services to establish the telehealth systems program for the purpose of expanding the provision of applied behavioral analysis or intensive behavioral intervention services by regional centers or vendor providers for the diagnosis and treatment of autism spectrum disorders. The bill would define “telehealth systems” as a mode of delivering services and information utilizing technology to enable evaluation, consultation, treatment, supports, self-management and other appropriate services regardless of the location of the providers or the individuals.
Sponsor: Author	
Status: Senate – Appropriations	
SB 810 (Leno)	Single-Payer Health Care Coverage
Version: A-5/10/2011	Would establish the California Healthcare System to be administered by the newly created California Healthcare Agency under the control of a Healthcare Commissioner appointed by the Governor and subject to confirmation by the Senate. The bill would make all California residents eligible for health care benefits under the California Healthcare System, which would, on a single-payer basis, negotiate for or set fees for health care services provided through the system and pay claims for those services. The bill would require the commissioner to seek all necessary waivers, exemptions, agreements or legislation to allow various existing federal, state and local health care payments to be paid to the California Healthcare System, which would then assume responsibility for all benefits and services previously paid for with those funds.
Sponsor: Various	
Status: Senate – Appropriations Suspense	
* SB 951 (Hernandez)	Health Care Coverage: Essential Health Benefits
Version: I-1/5/2012	Would state the intent that the Legislature enact legislation to implement the Affordable Care Act’s requirement that individual and small group coverage offered by health care service plans and health insurers meet the essential health benefits threshold set forth in the Act.
Sponsor: Author	
Status: Senate – Introduced	
* SB 961 (Hernandez)	Health Care Service Plans
Version: I-1/5/2012	Would implement several Affordable Care Act provisions related to the offer, sale, issuance and renewal of individual health benefits, beginning in 2014. The bill would require health care service plans that offer individual and small group coverage to issue coverage to every individual or employer that applies for that coverage, regardless of health status. The bill would also require that the coverage could not be terminated nor the rate charged be varied based on health status. AB 1461 contains similar provisions that would apply to health insurers.
Sponsor: Author	
Status: Senate – Introduced	

* New since last Board meeting.

Bill	Summary
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*** Knox-Keene Bills**

The following list includes bills that would change the requirements of health care service plans under the Knox-Keene Health Care Service Plan Act of 1975. Staff will continue to track the progress of these bills and provide additional summary information as needed.

Bill	Mandated Service or Benefit
AB 137 (Portantino)	Mammography upon referral, regardless of age
AB 154 (Beall)	Mental health services for non-SMI (severe mental illness) services and substance abuse disorders
AB 310 (Ma)	Cost-sharing limitations on outpatient prescription drugs
AB 369 (Huffman)	Prohibition on health plan imposed step-therapy
AB 428 (Portantino)	Fertility preservation services
AB 1000 (Perea)	Cost-sharing limitations on certain prescribed cancer drugs
SB 253 (Alquist)	Medically necessary treatment of acquired brain injuries
SB 255 (Pavley)	Definition of mastectomy to include lumpectomy

* New since last Board meeting.