

MANAGED RISK MEDICAL INSURANCE BOARD  
STATE LEGISLATIVE REPORT

March 14, 2012

Active Bills	Summary
<a href="#">AB 43 (Monning)</a>	<b>Medi-Cal: Eligibility</b>
Version: A-5/27/2011 Sponsor: Author Status: Senate – Health	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.
<a href="#">AB 52 (Feuer)</a>	<b>Health Care Coverage: Rate Approval</b>
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.
<a href="#">AB 714 (Atkins)</a>	<b>Health Care Coverage: California Health Benefit Exchange</b>
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.
<a href="#">AB 792 (Bonilla)</a>	<b>Health Care Coverage: California Health Benefit Exchange</b>
Version: A-8/17/2011 Sponsor: Author Status: Senate – Appropriations Suspense	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.
<a href="#">AB 823 (Dickinson)</a>	<b>Children's Cabinet of California</b>
Version: A-8/15/2011	Would establish the Children's Cabinet of California to advise and make recommendations to the Governor and the Legislature on ways to improve

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<b>Bill</b>	<b>Summary</b>
<p>Sponsor: Children Now</p> <p>Status: Senate – Appropriations Suspense</p>	<p>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><b><u>AB 1072 (Fuentes)</u></b></p> <p>Version: A-6/21/2011</p> <p>Sponsors: Author</p> <p>Status: Senate – Appropriations Suspense</p>	<p><b>Community Development: California Promise Neighborhoods Initiative</b></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><b><u>AB 1083 (Monning)</u></b></p> <p>Version: A-9/2/2011</p> <p>Sponsors: Health Access; Small Business Majority</p> <p>Status: Senate – Inactive</p>	<p><b>Health Care Coverage: ACA Conformity</b></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><b><u>AB 1334 (Feuer)</u></b></p> <p>Version: A-5/5/2011</p> <p>Sponsor: Author</p> <p>Status: Senate – Health</p>	<p><b>Individual Health Plans: Essential Benefits and Actuarial Value of Coverage</b></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 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.</p>
<p><b><u>AB 1453 (Monning)</u></b></p> <p>Version: I-1/5/2012</p> <p>Sponsor: Author</p> <p>Status: Assembly – Health</p>	<p><b>Essential Health Benefits</b></p> <p>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</p>

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~ Significant amendments since last Board meeting described with underlined text.

<b>Bill</b>	<b>Summary</b>
	definition of essential health benefits.
<b><a href="#">AB 1461 (Monning)</a></b>	<b>Health Insurance</b>
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 – Health	
<b><a href="#">AB 1526 (Monning)</a></b>	<b>California Major Risk Medical Insurance Program</b>
Version: I-1/19/2012	Would prohibit MRMIB from imposing annual or lifetime limits on benefits provided under the Major Risk Medical Insurance Program. Additionally, the bill would allow the board to exclude from the calculation of subscriber contributions that portion of the average individual insurance premium attributable to the elimination of the benefits limits. Finally, the bill would also allow MRMIB to accept a licensed medical provider letter as proof of a pre-existing condition.
Sponsor: Author	
Status: Assembly – Health	
* <b><a href="#">1636 (Monning)</a></b>	<b>Health and Wellness Programs</b>
Version: I-2/9/2012	Would require the Department of Managed Health Care to convene a special committee in collaboration with the Department of Insurance, the California Health Benefit Exchange and the State Department of Public Health 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 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.
Sponsor: Author	
Status: Assembly – Health	
* <b><a href="#">AB 1728 (Galgiani)</a></b>	<b>Health Care Programs: Provider Reimbursement Rate</b>
Version: I-2/21/2012	Would require hospital inpatient rates for fee-for-service delivery systems within specific publicly administered health coverage programs to be reduced. Specifically, this bill would require the following programs to reduce their provider rates by 10 percent from current Medi-Cal equivalent rates: the California Children’s Services Program; the Genetically Handicapped Person’s Program; the Breast and Cervical Cancer Early Detection Program; the State-Only Family Planning Program; the Family Planning, Access, Care and Treatment (Family PACT) Program; the Healthy Families Program and the Access for Infants and Mothers Program.
Sponsor: California Children’s Hospital Association	
Status: Assembly – Health	
* <b><a href="#">AB 1809 (Monning)</a></b>	<b>Health Care Coverage: Reports</b>
Version: I-2/21/2012	Would delete obsolete provisions of law requiring the Managed Risk Medical Insurance Board to submit reports to the Legislature related to drug and alcohol programs for children and the health care needs of vulnerable children in HFP. These reports have been completed and submitted to the Legislature by their respective due dates and the sections proposed to be deleted are no
Sponsor: Author	
Status: Assembly – Health	

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Bill	Summary
	longer operative.
* <a href="#">AB 1921 (Hill)</a>	<b>Health Insurance: Transitional Reinsurance Program</b>
Version: I-2/22/2012	Would establish a transitional reinsurance program for health plans that cover high risk individuals in accordance with the Affordable Care Act and require participation by health care service 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 pay claims and coordinate with the Pre-Existing Condition Insurance Plan and MRMIP to the extent required by federal law. The bill would authorize the commissioner and the director of the Department of Managed Health Care 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. Payments and claims would cease on December 31, 2016, except for necessary adjustments.
Sponsor: Author	
Status: Assembly – Introduced	
* <a href="#">ACA 24 (Donnelly)</a>	<b>Health Care Coverage</b>
Version: I-2/24/2012	Would amend the California Constitution to prohibit a federal, state or local law or rule from compelling a person or business to participate in a health care system. The bill would further prohibit a federal, state or local law or rule from imposing penalties or fines for the sale or purchase of health care or health insurance. The bill would not affect those laws or rules that were in effect as of March 19, 2010.
Sponsor: Author	
Status: Assembly – Introduced	
<a href="#">SB 635 (Hernandez)</a>	<b>Health Care: Workforce Training</b>
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	
<a href="#">SB 677 (Hernandez)</a>	<b>Medi-Cal: Eligibility: ACA Conformity</b>
Version: A-5/23/2011	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.
Sponsor: Author	
Status: Assembly	
<a href="#">SB 690 (Hernandez)</a>	<b>Health Care Coverage: Discrimination</b>
Version: A-1/10/2012	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.
Sponsor: Author	
Status: Assembly	

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Bill	Summary
<p><b><u>SB 694 (Padilla)</u></b></p> <p>Version: A-1/25/2012</p> <p>Sponsor: Children's Partnership</p> <p>Status: Assembly</p>	<p><b>Dental Care: Statewide Office of Oral Health</b></p> <p>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. The bill would provide that no General Fund funding sources would be used to fund the office.</p>
<p><b><u>SB 703 (Hernandez)</u></b></p> <p>Version: A-7/12/2011</p> <p>Sponsor: Local Health Plans of California</p> <p>Status: Assembly – Appropriations Suspend</p>	<p><b>Managed Risk Medical Insurance Board: Basic Health Program</b></p> <p>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.</p>
<p><b><u>SB 728 (Hernandez)</u></b></p> <p>Version: A-5/31/2011</p> <p>Sponsor: Author</p> <p>Status: Assembly – Health</p>	<p><b>Health Care Coverage: Risk Adjustment System: ACA Conformity</b></p> <p>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.</p>
<p><b><u>SB 764 (Steinberg)</u></b></p> <p>Version: A-1/12/2012</p> <p>Sponsor: Author</p> <p>Status: Assembly</p>	<p><b>Developmental Services: Telehealth Systems Program</b></p> <p>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.</p>
<p><b><u>SB 951 (Hernandez)</u></b></p> <p>Version: I-1/5/2012</p> <p>Sponsor: Author</p> <p>Status: Senate – Rules</p>	<p><b>Health Care Coverage: Essential Health Benefits</b></p> <p>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.</p>

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<p><b><a href="#">SB 961 (Hernandez)</a></b></p> <p>Version: I-1/10/2012</p> <p>Sponsor: Author</p> <p>Status: Senate – Health</p>	<p><b>Health Care Service Plans</b></p> <p>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.</p>
<p><b><a href="#">SB 970 (De Leon)</a></b></p> <p>Version: I-1/17/2012</p> <p>Sponsor: Western Center on Law and Poverty</p> <p>Status: Senate – Health</p>	<p><b>Health Care Reform Eligibility, Enrollment, and Retention Planning Act: Coordination with Other Programs</b></p> <p>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 as a result of the Health Care Reform Eligibility, Enrollment, and Retention Planning Act of 2011, to have his or her application information used to simultaneously initiate applications for CalWORKs and CalFresh. This bill would similarly require the county to assess CalFresh recipients for potential state health subsidy program eligibility. The bill would require the California Health and Human Services Agency to convene a work group of human services and health care advocates, and staffs of the Legislature and appropriate state and local departments to identify other human services and work support programs that might be integrated into the cross-application process. The bill would require implementation of the process by December 31, 2015.</p>
<p><b>* <a href="#">SB 1313 (Lieu)</a></b></p> <p>Version: I-2/23/2012</p> <p>Sponsor: California Pan Ethnic Health Network, California Immigrant Policy Collaborative, and Consumers Union</p> <p>Status: Senate – Introduced</p>	<p><b>Health Care Coverage</b></p> <p>Would make changes to the Knox-Keene Act and the Insurance Code to implement various provisions relating to fraud, deceptive marketing or advertising, misrepresentation and language assistance services under the Affordable Care Act. The bill would also prohibit a health care service plan or health insurer from offering, issuing, selling or renewing an individual or group plan contract or health insurance policy that does not, at a minimum, cover basic health care services. The only exception would be if the individual has proof of enrollment in minimum essential coverage as defined under the ACA. The bill would require a health care service plan or health insurer that offers, issues, or sells a plan contract or health insurance policy that provides coverage that does not constitute minimum essential coverage to include in all solicitations, marketing materials and the evidence of coverage a clear and easily identified disclosure to that effect. The bill would enact other related provisions.</p>
<p><b>* <a href="#">SB 1321 (Harman)</a></b></p> <p>Version: I-2/23/2012</p> <p>Sponsor: Author</p> <p>Status: Senate – Introduced</p>	<p><b>Essential Health Benefits</b></p> <p>Would require the board of the California Health Benefit Exchange to determine the average premium per enrollee or insured for each health plan listed as an optional benchmark plan for the purpose of defining essential health benefits under the ACA. The bill would require that the plan with the lowest average premium per enrollee or insured set the benchmark for items and services to be included in the definition of essential health benefits.</p>

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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
<a href="#">AB 137</a> ( <a href="#">Portantino</a> )	Mammography upon referral, regardless of age
<a href="#">AB 154</a> ( <a href="#">Beall</a> )	Mental health services for non-SMI (severe mental illness) services and substance abuse disorders
<a href="#">AB 171</a> ( <a href="#">Beall</a> )	Screening, diagnosis and treatment, other than behavioral health treatment, of pervasive developmental disorder or autism
<a href="#">AB 369</a> ( <a href="#">Huffman</a> )	Prohibition on health plan imposed step-therapy
<a href="#">AB 1000</a> ( <a href="#">Perea</a> )	Cost-sharing limitations on certain prescribed cancer drugs
* <a href="#">AB 1641</a> ( <a href="#">Lowenthal</a> )	Durable medical equipment
* <a href="#">AB 1738</a> ( <a href="#">Huffman</a> )	Tobacco cessation services
* <a href="#">AB 1800</a> ( <a href="#">Ma</a> )	Out-of-pocket limits on outpatient prescription drug coverage
<a href="#">SB 255</a> ( <a href="#">Pavley</a> )	Definition of mastectomy to include lumpectomy

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