California Advocates, inc.



June 20, 2012

TO:

Members, Senate Health Committee

Ralph F. Simoni

FROM:

Julianne Broyles

Michael D. Belote

On Behalf of California Association of Health Underwriters

Julianne A. Broyles

SUBJECT:

AB 1731 (BLOCK) NEW UNFUNDED MANDATE – OPPOSE

SCHEDULED FOR HEARING: JUNE 27, 2012

Dennis K. Albiani

The California Association of Health Underwriters (CAHU) must **OPPOSE AB 1731 (Block)**, as amended May 25, 2012, which has the potential to increase cost of health insurance coverage by establishing a new unfunded mandate for tests on newborns.

Robert G. Walters of Counsel

The California Association of Health Underwriters (CAHU) is the state's largest association of health insurance agents, brokers and other health insurance industry professionals. Our members help millions of individual Californians and businesses evaluate, select, purchase and use their health care coverage plans, resulting in greater health and financial security. CAHU agents and brokers also act as advocates for policyholders and their families when coverage disputes arise. CAHU agents and brokers perform many functions for small employers with respect to managing their employee benefits program - at no additional cost to the small employer.

As written, AB 1731 provides for a new, unfunded mandate regarding the phased-in screening of newborns for congenital heart defects beginning July 1, 2013. For the record, CAHU supports good health for all Californians. However, CAHU is concerned that this legislation will force yet another unfunded mandate upon health care providers, therefore adding even more of a cost burden within the health care system. We know that you and AB 1731 sponsors have the best of intentions, but CAHU must oppose the bill due to the ultimate costs that will be passed on to health care consumers in California.

For these reasons, CAHU urges a "NO" vote on AB 1731 (Block) when it comes before you for consideration.

cc:

Office of Governor Brown The Honorable Marty Block Mia Orr, Senate Health Committee Joe Parra, Senate Republican Caucus