

CALIFORNIA ASSOCIATION OF HEALTH UNDERWRITERS

FINAL 2017 TOP PRIORITY BILL REPORT

| BILL/AUTHOR | SUBJECT | POSITION | DESCRIPTION | STATUS |
|---|--|-----------------------------|---|---|
| AB 156 (Wood D) | Individual market: enrollment periods | SUPPORT | CAHU SUPPORTS AB 156, which helps agents by revises enrollment periods for 2019 under which people may purchase health insurance through Covered California and the individual insurance market. This bill also sets the rate filing requirement and regulator response to the open enrollment period and deletes a reference to the federal reinsurance program. | SIGNED by GOVERNOR 10/4/2017 CHAPTER 468, Statutes of 2017 |
| AB 157 (Wood D) | Small group market: single risk pool: index rate | WATCH: PENDING AMENDMENT | CAHU is closely watching AB 157 for amendments. AB 157, which is currently a spot bill, is likely to become a prime vehicle for small group health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. | SENATE INACTIVE FILE 9/13/2017 |
| AB 211 (Waldron R) | Specialty Clinic Access | SUPPORT | CAHU SUPPORTS AB 211 to ensure health care consumers have better access to specialty clinics throughout California. The new language was originally contained in AB 251 (Bonta). | SENATE RULES COMMITTEE 2-YEAR BILL |
| AB 251 (Bonta D) | Health and care facilities | WATCH | CAHU is now WATCHING AB 251, a gut and amended bill to mandate dialysis clinics use a medical loss ratio (MLR) of 85% of each dollar earned must be used for direct patient care, quality improvements, taxes, and licensure fees. Clinics that do not meet the 85% requirement will be required to issue refunds to private payers and individuals who purchase dialysis services. | SENATE INACTIVE FILE 9/7/2017 |

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| AB 265 (Wood D) | Prescription drugs: prohibition on price discount. | SUPPORT | CAHU SUPPORTS AB 265 that prohibits pharmaceutical manufacturers from issuing coupons or providing other discounts for new, higher priced drugs when other less-expensive FDA approved drugs are available. | <i>SIGNED by GOVERNOR 10/9/2017</i> <i>CHAPTER 611, Statutes of 2017</i> |
| AB 417 (Wood D) | Health coverage: small employers | WATCH: PENDING AMENDMENT | CAHU is watching AB 417 for amendments. AB 417, which is currently a spot bill, is very likely to become a prime vehicle for small group health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. | <i>SENATE INACTIVE FILE 9/13/2017</i> |
| AB 595 (Wood D) | Health Insurers: Mergers And Acquisitions | WATCH: PENDING AMENDMENT | CAHU is tracking AB 595 regarding health care service plan acquisitions and mergers. CAHU believes that it is necessary to ensure affordable choices for health care consumers that are only available through a competitive health insurance marketplace. | <i>HELD on ASSEMBLY Appropriations SUSPENSE FILE 5/26/17</i> <i>2-YEAR BILL</i> |
| AB 989 (Cooper D) and (Obernolte R) | Health Savings Accounts: Tax Conformity | SUPPORT | CAHU is working in tandem with NAIFA California and IIABCal to SUPPORT AB 989 that attempts to conform state and federal tax laws pertaining to health savings accounts (HSAs) in order to provide needed savings to public and private sector employees and employers. Health Savings Accounts allow individuals to save tax-free dollars to pay for near-term medical expenses and also save for future longer-term costs, in particular, medical care costs that occur after retirement. | <i>HELD on ASSEMBLY Appropriations SUSPENSE FILE 5/26/17</i> <i>2-YEAR BILL</i> |

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| <u>AB 1584</u> <i>(Gonzalez Fletcher D)</i> | Insurance: production agents: license examination: contracts | OPPOSE UNLESS AMEND | CAHU is OPPOSED UNLESS AMENDED to AB 1584 which attempts to mandate agents who take the license examination in Spanish to provide all contracts, policies, certificates, riders, and any other required notices in Spanish, if Spanish was principally used in the negotiation of the contract. The mandate would be more appropriately placed on health plans and carriers who are the source of all documents listed. | <i>HELD in ASSEMBLY INSURANCE 5/12/2017</i> 2- YEAR BILL |
| <u>AB 1601</u> <i>(Bloom D)</i> | New Mandate: Hearing aids: minors | OPPOSE UNLESS AMEND | CAHU OPPOSES AB 1601 that mandates all health plans provide coverage for hearing devices for those under 18 years of age unless amended to include reasonable cost controls. | <i>HELD on ASSEMBLY Appropriations SUSPENSE FILE</i> 2- YEAR BILL |
| <u>SB 17</u> <i>(Hernandez D)</i> | Health care: prescription drug costs. | SUPPORT | CAHU SUPPORTS SB 17 that will improve transparency of prescription drug costs by requiring health care service plans and carriers that report rate information to include information regarding the percentage of the premium dollar spent on prescription drugs. The new law also requires drug manufacturers to provide prior notice of rate increases for prescription drugs. | <i>SIGNED by GOVERNOR 10/9/2017</i> <i>CHAPTER 603, Statutes of 2017</i> |
| <u>SB 133</u> <i>(Hernandez D)</i> | Continuity of Care: Transplants | WATCH | CAHU tracked SB 133 that extends existing "continuity of care" laws to provide that an enrollee or insured who has a condition that will require a transplant is not limited by the 12-month termination date. The new law would require the completion of covered services to be provided for the duration of the condition and until the time he or she undergoes the transplant surgery and receives the necessary follow up care. | <i>SIGNED by GOVERNOR 10/4/2017</i> <i>CHAPTER 481, Statutes of 2017</i> |

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| SB 134 (Hernandez D) | Small group market: single risk pool: index rate. | WATCH: PENDING AMENDMENT | CAHU is closely watching SB 134 for amendments. SB 134, currently a spot bill, is very likely to become a prime vehicle for small group health care reforms in reaction to potential changes made at the federal level in the coming weeks and months. Identical to AB 157. | ASSEMBLY INACTIVE FILE 7/13/2017 2-YEAR BILL |
| SB 172 (Portantino D) | Health Care Coverage: Fertility Preservation | OPPOSE | CAHU OPPOSES SB 172 that increases the cost of health care by mandating all new individual or group health insurance policies issued, amended, or renewed on and after January 1, 2018, provide fertility preservation coverage for any and all situations, direct or indirect, where fertility may be impacted. | HELD on SENATE Appropriations SUSPENSE FILE 5/25/2017 2 - YEAR BILL |
| SB 199 (Hernandez D) | Advisory Committee: Health Care Cost, Quality and Equity Atlas | NEUTRAL | As amended, CAHU no longer opposes SB 199 and is NEUTRAL on the bill. SB 199 now calls for DMHC to convene a broad spectrum of health care stakeholders and experts, to identify the type of data, purpose of use, and entities and individuals that are required to report to, or that may have access to, a health care cost, quality, and equity atlas. | HELD on ASSEMBLY Appropriations SUSPENSE FILE 9/1/2017 2 - YEAR BILL |
| SB 288 (Hernandez D) | Health coverage: small employers. | WATCH: PENDING AMENDMENT | CAHU is closely monitoring SB 288 for amendments. SB 288, which is currently a spot bill, is very likely to become a prime vehicle for small group health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. Identical to AB 417. | ASSEMBLY INACTIVE FILE 9/13/17 2-YEAR BILL |

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| SB 515 (Fuller R) | Health care coverage: individual market. | WATCH | CAHU is closely watching SB 515 for amendments. SB 515, which is currently a spot bill, is very likely to become a prime vehicle for individual and family plan health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. Identical to AB 156. | <i>SENATE RULES</i> 2 - YEAR BILL 5/12/2017 |
| SB 562 (Lara D) | Universal Single Payer Health System | OPPOSE | CAHU is working with NAIFA California and IIABCal to OPPOSE SB 562 (Lara/Atkins) which seeks to replace California's healthcare marketplace with a universal Single Payer system that would reduce competition, limit options for consumers, raise costs, and threaten access to care. | <i>HELD AT ASSEMBLY DESK -PER SPEAKER RENDON</i> 6/1/2017 2-YEAR BILL |
| SB 640 (Hertzberg D) | New Tax: Services | OPPOSE | CAHU OPPOSES SB 640, which proposes to establish a first-time sales tax on services, including services provided by independent health insurance agents. | <i>SENATE GOVERNANCE & FINANCE</i> 3/2/2017 2-YEAR BILL |
| SB 788 (Lara D) | Insurance: licensing: requirements | SUPPORT | In a coalition with other insurance affiliates including NAIFA and IIABCal, CAHU SUPPORTS SB 788, which would require the Insurance Commissioner to allow individuals who are applying for or renewing an insurance license to use an Individual Tax Identification Number (ITIN). | <i>SIGNED by GOVERNOR</i> 10/4/2017 <i>CHAPTER 487, Statutes of 2017</i> |