



CAHU Top Priority Bill Status Report as of 5/15/2020



AB 4

(Arambula D) Medi-Cal: eligibility.

Current Text: Amended: 5/17/2019 [html](#) [pdf](#)

Introduced: 12/3/2018

Last Amend: 5/17/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was HEALTH on 6/6/2019)(May be acted upon Jan 2020)

Location: 7/10/2019-S. 2 YEAR

Summary: Current law requires that individuals under 19 years of age enrolled in restricted-scope Medi-Cal at the time the Director of Health Care Services makes a determination that systems have been programmed for implementation of these provisions to be enrolled in the full scope of Medi-Cal benefits, if otherwise eligible, pursuant to an eligibility and enrollment plan, which includes outreach strategies. Current law makes the effective date of enrollment for those individuals the same day that systems are operational to begin processing new applications pursuant to the director's determination, and requires the department to seek any necessary federal approvals to obtain federal financial participation for purposes of implementing the requirements. Current law requires that benefits for services under these provisions be provided with state-only funds only if federal financial participation is not available for those services. This bill would extend eligibility for full-scope Medi-Cal benefits to individuals of all ages, if otherwise eligible for those benefits, but for their immigration status, and would delete provisions delaying eligibility and enrollment until the director makes the determination as specified.

| Organization | Position | Subject | Group |
|--------------|----------|----------|------------------------------------|
| CAHU | Support | Medi-Cal | CAHU TOP PRIORITY BILL, Priority 3 |

Notes 1: CAHU SUPPORTS AB4 which brings California close to universal healthcare by providing access to basic coverage to all residents. This bill may also lower the costs of unreimbursed medical treatment which is subsidized by our client's insurance premiums.

This became a 2 year bill when the Governor and legislature agreed to pass the Governor's 2019-20 Budget (SB 104) which expanded eligibility for full-scope Medi-Cal to individuals under the age of 26, regardless of immigration status.

AB 207

(Daly D) Insurance licensing.

Current Text: Introduced: 1/14/2019 [html](#) [pdf](#)

Introduced: 1/14/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was INS. on 5/16/2019)(May be acted upon Jan 2020)

Location: 7/10/2019-S. 2 YEAR

Summary: Current law generally regulates the business of insurance in the state, including the licensing of persons who transact insurance. Current law prohibits a person from soliciting, negotiating, or effecting a contract of insurance without a valid license from the Insurance Commissioner, and makes transacting insurance without a valid license punishable as a misdemeanor by imprisonment in a county jail for not more than one year, a fine of not more than \$50,000, or both that fine and imprisonment. This bill would increase the maximum fine for transacting insurance without a valid license to \$70,000.

| Organization | Position | Subject | Group |
|--------------|----------|-----------|------------------------------------|
| CAHU | Support | Medi-care | CAHU TOP PRIORITY BILL, Priority 2 |

Notes 1: Along with IIABCal, and NAIFA, CAHU is in SUPPORT of AB 207 which would increase the fine for transacting insurance without a valid license. Our associations have a long history of supporting legislation attempting to address the issue of bad actors in the insurance marketplace.

AB 207 would enhance the Department of Insurance's ability to fine unscrupulous individuals who are avoiding the very stringent licensing laws and taking advantage of consumers.

AB 233**(Cooley D) Insurance: licensees.**

Current Text: Amended: 4/11/2019 [html](#) [pdf](#)

Introduced: 1/17/2019

Last Amend: 4/11/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was INS. on 5/22/2019)(May be acted upon Jan 2020)

Location: 7/10/2019-S. 2 YEAR

Summary: Current law requires the license of a residential property broker-agent, casualty broker-agent, personal lines broker-agent, or limited lines automobile insurance agent to be prominently displayed in the holder's office. Current law requires the Insurance Commissioner to impose a \$200 fine for the first violation of that requirement if it is not corrected within 45 days, and authorizes the commissioner to impose a \$400 fine if another violation is committed within 3 years of the first violation. This bill would require a broker-agent, agent, or licensed organization that maintains multiple offices to prominently display a copy of its license in each office.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------|
| CAHU | Watch | | CAHU TOP PRIORITY BILL |

Notes 1: CAHU is closely WATCHING AB 233 sponsored by the Independent Insurance Agents and Brokers of California. This bill would exempt licensed insurance agents and brokers from the Dynamex test and instead establish an industry-tailored set of criteria under which parties could enter independent contractor relationships. Similar language was recently amended into AB 5 which is the identified sole legislative vehicle with legislative leaderships' backing for all efforts pertaining to Dynamex.

AB 598**(Bloom D) Hearing aids: minors.**

Current Text: Amended: 9/6/2019 [html](#) [pdf](#)

Introduced: 2/14/2019

Last Amend: 9/6/2019

Status: 9/15/2019-9/15/2019-Failed Deadline pursuant to Rule 61(a)(15). (Last location was DESK on 9/11/2019)(May be acted upon Jan 2020)

Location: 9/15/2019-A. 2 YEAR

Summary: This bill, known as the Let California Kids Hear Act, would require a health care service plan contract or a health insurance policy issued, amended, or renewed on or after July 1, 2020, to include coverage for hearing aids, as defined, for an enrollee or insured under 18 years of age.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------|
| CAHU | Support | | CAHU TOP PRIORITY BILL |

Notes 1: CAHU is SUPPORTING AB 598 which would establish a new health insurance coverage mandate to include coverage for hearing aids for children under age 18, as amended May 16, 2019, to include cost controls and limits on replacements.

AB 648**(Nazarian D) Wellness programs.**

Current Text: Amended: 1/23/2020 [html](#) [pdf](#)

Introduced: 2/15/2019

Last Amend: 1/23/2020

Status: 1/28/2020-In Senate. Read first time. To Com. on RLS. for assignment.

Location: 1/28/2020-S. RLS.

Summary: Would prohibit health care service plans and insurers from sharing any personal information or data collected through a wellness program, except as specified, and would prohibit health care service plans or insurers from taking any adverse action, as defined, against an enrollee or member, or insured (individual), if the action of the health care service plans or insurers is in response to an individual's election to not participate in a wellness program.

| Organization | Position | Subject | Group |
|--------------|----------|---------|----------|
| CAHU | Oppose | | CAHU TOP |

PRIORITY
BILL, Priority
2

Notes 1: CAHU is OPPOSED to AB 648 (Nazarian) as amended January 23, 2020, as it imposes limitations that would likely end voluntary workplace Wellness Programs that benefit employees and contribute to a healthy workforce. Additionally, it creates significant liability for employers who fail to adhere to the bill's burdensome requirements.

AB 767 (Wicks D) Health care coverage: in vitro fertilization.

Current Text: Amended: 6/6/2019 [html](#) [pdf](#)

Introduced: 2/19/2019

Last Amend: 6/6/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was HEALTH on 6/12/2019)(May be acted upon Jan 2020)

Location: 7/10/2019-S. 2 YEAR

Summary: Current state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. This bill would require the Exchange to develop options for the inclusion of in vitro fertilization coverage as part of, or as supplementary to, coverage currently offered through Covered California, in consultation with stakeholders and by considering specified options. The bill would further require the Exchange, on or before July 1, 2020, to report the options to the Legislature and make the report publicly available on its internet website.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Oppose | | CAHU TOP PRIORITY BILL, Priority 2 |

Notes 1: CAHU is OPPOSED to AB 767 because the associated costs could devastate the small group health insurance market, where employers are not required to provide coverage and are sensitive to price increases, and may elect to drop coverage for employees. The average cost of fertility treatment is \$22K per treatment and it takes an average of three treatments to be effective. There is also concern that this bill could also lead to medical tourism in CA.

FLB will report the analysis of CHBRP analysis being done on this bill.
<http://analyses.chbrp.com/document/view.php?id=1410>

"Expenditures. AB 767 would increase total net annual expenditures by \$850,696,000 or 0.49% due to a \$537,777,000 increase in total health insurance premiums, adjusted by decrease in enrollee expenses for covered and/or noncovered benefits.

- Enrollees with uncovered expenses at baseline would receive on the whole a \$133,897,000 reduction in their out-of-pocket spending for covered and noncovered expenses.
- Per member per month premiums would increase between \$2.76 for enrollees in CalPERS HMOs (an increase of 0.47%) and \$3.72 in the DMHC-regulated small group market (an increase of 0.68%)."

AB 981 (Daly D) Insurance Information and Privacy Protection Act.

Current Text: Amended: 4/30/2019 [html](#) [pdf](#)

Introduced: 2/21/2019

Last Amend: 4/30/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was INS. on 5/29/2019)(May be acted upon Jan 2020)

Location: 7/10/2019-S. 2 YEAR

Summary: Would eliminate a consumer's right to request a business to delete or not sell the consumer's personal information under the California Consumer Privacy Act of 2018 if it is necessary to retain or share the consumer's personal information to complete an insurance transaction requested by the consumer.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Support | | CAHU TOP PRIORITY BILL, Priority 3 |

Notes 1: CAHU SUPPORTS AB 981 (Daly) when amends the Insurance Information and Privacy Protection Act (IIPPA) to make it clear that entities governed by the IIPPA are not subject to the California Consumer Privacy Act of 2018 (CCPA).

This will ensure continued consumer protection while avoiding different and conflicting standards which may work counter to the best privacy and security protection for consumers. If there are additional consumer protections needed beyond those provided in the IIPPA, a much better solution would be to clarify such issues in the IIPA.

Trying to reconcile the CCPA with a long standing and well-vetted insurance-specific law will result in foreseeable legal conflicts, and jeopardize the critical balance achieved in current privacy and security laws applicable to and strongly supported by insurers.

AB 1611 (Chiu D) Emergency hospital services: costs.

Current Text: Amended: 6/27/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Last Amend: 6/27/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was HEALTH on 6/12/2019)(May be acted upon Jan 2020)

Location: 7/10/2019-S. 2 YEAR

Summary: Would require a health care service plan contract or insurance policy issued, amended, or renewed on or after January 1, 2020, to provide that if an enrollee or insured receives covered services from a noncontracting hospital, the enrollee or insured is prohibited from paying more than the same cost sharing that the enrollee or insured would pay for the same covered services received from a contracting hospital. The bill would require a health care service plan or insurer to pay a noncontracting hospital for emergency services rendered to an enrollee or insured pursuant to a specified formula, would require a noncontracting hospital to bill, collect, and make refunds in a specified manner, and would provide a dispute resolution procedure if any party is dissatisfied with payment.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Support | | CAHU TOP PRIORITY BILL, Priority 1 |

Notes 1: CAHU is in SUPPORT of AB 1611 which bans hospitals from sending surprise bills to patients for emergency room care beyond their regular co-payment or deductible.

AB 1850 (Gonzalez D) Worker classification: employees and independent contractors.

Current Text: Amended: 5/12/2020 [html](#) [pdf](#)

Introduced: 1/6/2020

Last Amend: 5/12/2020

Status: 5/13/2020-Re-referred to Com. on L. & E.

Location: 2/14/2020-A. L. & E.

Calendar: 5/20/2020 10 a.m. - State Capitol, Room 437 ASSEMBLY LABOR AND EMPLOYMENT, KALRA, Chair

Summary: Current law exempts specified occupations and business relationships from the application of the ABC test as specified. Current law, instead, provides that these exempt relationships are governed by the multifactor test previously adopted in the case of S. G. Borello & Sons, Inc. v. Department of Industrial Relations (1989) 48 Cal.3d 341. Current exemptions include a bona fide business-to-business contracting relationship, as defined, under the specified conditions. Under current law, the business-to-business exemption does not apply to an individual worker, as opposed to a business entity, who performs labor or services for a contracting business. This bill would delete that individual worker provision.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------|
| CAHU | Watch | | CAHU TOP PRIORITY BILL |

Notes 1: CAHU is closely WATCHING AB 1850 which seeks to clarify and amend provisions of AB5 which codified a recent California Supreme Court ruling, Dynamex Operations West Inc. v. Superior Court (Dynamex) does not alter an insurance agent or broker's ability to be an independent contractor. Without this clarification, many agents could be forced to become W-2 employees. This would have negatively impacted agents and brokers by restricting commissions and the ability to

work independently while impacting existing tax reporting and deductions.

AB 1986 (Gipson D) Health care coverage: colorectal cancer: screening and testing.

Current Text: Introduced: 1/23/2020 [html](#) [pdf](#)

Introduced: 1/23/2020

Status: 2/6/2020-Referred to Com. on HEALTH.

Location: 2/6/2020-A. HEALTH

Summary: Would require a health care service plan contract or a health insurance policy, except as specified, that is issued, amended, or renewed on or after January 1, 2021, to provide coverage for colorectal cancer screening examinations and laboratory tests, as specified. The bill would require the coverage to include additional colorectal cancer screening examinations as listed by the United States Preventive Services Task Force as a recommended screening strategy and at least at the frequency established pursuant to regulations issued by the federal Centers for Medicare and Medicaid Services for the Medicare program if the individual is at high risk for colorectal cancer.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Support | | CAHU TOP PRIORITY BILL, New Mandate, Priority 3 |

Notes 1: CAHU supports AB 1986 which will help eliminate surprise medical bills related to preventative testing for colorectal cancer. Currently, a consumer can go in for a covered preventative colorectal screening and if polyps are discovered have the procedure changed for billing purposes from preventative to a medical procedure. This outcome could surprise the consumer with unplanned medical bills.

AB 2144 (Arambula D) Health care coverage: step therapy.

Current Text: Amended: 3/12/2020 [html](#) [pdf](#)

Introduced: 2/10/2020

Last Amend: 3/12/2020

Status: 3/16/2020-Re-referred to Com. on HEALTH.

Location: 2/20/2020-A. HEALTH

Summary: Would clarify that a health care service plan may require step therapy if there is more than one drug that is appropriate for the treatment of a medical condition. The bill would require a health care service plan or health insurer to expeditiously grant a step therapy exception if specified criteria are met. The bill would authorize an enrollee or insured or their designee, guardian, primary care physician, or health care provider to file an appeal of a prior authorization or the denial of a step therapy exception request, and would require a health care service plan or health insurer to designate a clinical peer to review those appeals. The bill would require a health care service plan, health insurer, or utilization review organization to annually report specified information about their step therapy exception requests and prior authorization requests to the Department of Managed Health Care or the Department of Insurance, as appropriate.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------|
| CAHU | Watch | | CAHU TOP PRIORITY BILL |

Notes 1: CAHU will watch AB2144, though well intended, we believe it could drive up the cost of health care by allowing all insured members or their representatives to appeal prescription drug step therapy decisions. The bill also assigns onerous reporting to the insurance providers, which may drive up costs. Awaiting the analysis of CHBRP.

AB 2157 (Wood D) Health care coverage: independent dispute resolution process.

Current Text: Introduced: 2/10/2020 [html](#) [pdf](#)

Introduced: 2/10/2020

Status: 3/17/2020-In committee: Hearing postponed by committee.

Location: 2/20/2020-A. HEALTH

Calendar: 5/18/2020 10 a.m. - Assembly Chambers ASSEMBLY HEALTH, WOOD, Chair

Summary: Current law requires the Department of Managed Health Care and the Department of Insurance to establish an independent dispute resolution process to resolve a claim dispute between a health care service plan or health insurer, as appropriate, and a noncontracting individual health professional, and sets forth requirements and guidelines for that process, including contracting with

an independent organization for the purpose of conducting the review process. Current law requires each department to establish uniform written procedures for the submission, receipt, processing, and resolution of these disputes, as specified. Existing law requires the independent organization, in deciding the dispute, to base its decision regarding the appropriate reimbursement on all relevant information. This bill would require the procedures established by each department to include a process for each party to submit into evidence information that will be kept confidential from the other party, in order to preserve the confidentiality of the source contract.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Support | | CAHU TOP PRIORITY BILL, Priority 3 |

Notes 1: CAHU SUPPORTS AB 2157 which modifies the Independent Dispute Resolution Process created by AB 72 (Bonta), in 2016 by expanding & requiring additional procedures between a health care service plan or health insurer, and non-contracting health professionals. Through ongoing service and support for clients, we see firsthand the importance for our clients to have clear coverage options without the confusion and financial instability that balance billing creates. We are hopeful this bill may lead to more fair and timely billing practices and may reduce the use of balance billing.

[AB 2203](#) **(Nazarian D) Insulin cost-sharing cap.**

Current Text: Amended: 5/4/2020 [html](#) [pdf](#)

Introduced: 2/12/2020

Last Amend: 5/4/2020

Status: 5/5/2020-Re-referred to Com. on HEALTH.

Location: 2/20/2020-A. HEALTH

Calendar: 5/18/2020 10 a.m. - Assembly Chambers ASSEMBLY HEALTH, WOOD, Chair

Summary: Would prohibit a health care service plan contract or a health insurance policy that is issued, amended, delivered, or renewed on or after January 1, 2021, from imposing cost sharing on a covered insulin prescription, except for a copayment not to exceed \$50 per 30-day supply of insulin, and no more than \$100 total per month, regardless of the amount or type of insulin.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------|
| CAHU | Watch | | CAHU TOP PRIORITY BILL |

Notes 1: CAHU is WATCHING AB 2203 which would prohibit a health care service plan contract or a health insurance policy that is issued, amended, delivered, or renewed on or after January 1, 2021, from imposing cost sharing on a covered insulin prescription, except for a copayment not to exceed \$50 per 30-day supply of insulin, or \$100 for a supply exceeding 30 days, regardless of the amount or type of insulin. While we are supportive of improving affordability for consumers, we are also wary of cost shifting in the form of increased premiums since this is a cap on cost sharing not price.

[AB 2242](#) **(Levine D) Mental health services.**

Current Text: Introduced: 2/13/2020 [html](#) [pdf](#)

Introduced: 2/13/2020

Status: 2/20/2020-Referred to Com. on HEALTH.

Location: 2/20/2020-A. HEALTH

Summary: Would require a health care service plan or a health insurance policy issued, amended, or renewed on or after January 1, 2021, that includes coverage for mental health services to, among other things, approve the provision of mental health services for persons who are detained for 72-hour treatment and evaluation under the Lanterman-Petris-Short Act and to schedule an initial outpatient appointment for that person with a licensed mental health professional on a date that is within 48 hours of the person's release from detention. The bill would prohibit a noncontracting provider of covered mental health services from billing the previously described enrollee or insured more than the cost-sharing amount the enrollee or insured would pay to a contracting provider for those services.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Support | | CAHU TOP PRIORITY BILL, Priority 2 |

Notes 1: CAHU SUPPORTS AB 2422 which would require a health care service plan or a health insurance policy issued, amended, or renewed on or after January 1, 2021, that includes coverage for mental health services to, among other things, approve the provision of mental health services for persons who are detained for 72-hour treatment and evaluation under the Lanterman-Petris-Short Act and to schedule an initial outpatient appointment for that person with a licensed mental health professional on a date that is within 48 hours of the person's release from detention. The bill would prohibit a noncontracting provider of covered mental health services from billing the previously described enrollee or insured more than the cost-sharing amount the enrollee or insured would pay to a contracting provider for those services.

FLB to report CHPRB report.

AB 2347 (Wood D) Health care coverage: financial assistance.

Current Text: Amended: 5/13/2020 [html](#) [pdf](#)

Introduced: 2/18/2020

Last Amend: 5/13/2020

Status: 5/13/2020-From committee chair, with author's amendments: Amend, and re-refer to Com. on HEALTH. Read second time and amended.

Location: 2/24/2020-A. HEALTH

Calendar: 5/18/2020 10 a.m. - Assembly Chambers ASSEMBLY HEALTH, WOOD, Chair

Summary: Current state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. Until January 1, 2023, existing law requires the Exchange to administer a program of financial assistance, and authorizes the program to provide assistance, including premium assistance subsidies, to program participants with household incomes at or below 600% of the federal poverty level. This bill, contingent upon an appropriation by the Legislature, would reduce premiums to zero for program participants with household incomes at or below 138% of the federal poverty level, and would scale the premium assistance subsidy amount for program participants with household incomes of 139% to 600%, inclusive, of the federal poverty level pursuant to the program design adopted by the board of the Exchange.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Support | | CAHU TOP PRIORITY BILL, Priority 3 |

Notes 1: CAHU SUPPORTS AB 2347 which would reduce premiums to zero for plan participants with household incomes at or below 138% of the federal poverty level (FPL) and reduce the number of uninsured people in California. Additionally, with reduced deductibles, copays, coinsurance and lower out of pocket limits more people will seek treatment for chronic medical conditions.

AB 2384 (Choi R) Income tax: health savings accounts.

Current Text: Introduced: 2/18/2020 [html](#) [pdf](#)

Introduced: 2/18/2020

Status: 3/17/2020-In committee: Hearing postponed by committee.

Location: 2/24/2020-A. REV. & TAX

Summary: Would, for taxable years beginning on or after January 1, 2020, and before January 1, 2025, allow a deduction in computing adjusted gross income in connection with health savings accounts in conformity with federal law. In general, the deduction would be an amount equal to the aggregate amount paid in cash during the taxable year by, or on behalf of, an eligible individual, as defined, to a health savings account of that individual, as provided. The bill, for taxable years beginning on or after January 1, 2020, and before January 1, 2025, would also provide related conformity to that federal law with respect to the allowance of rollovers from Archer Medical Savings Accounts, health flexible spending arrangements, or health reimbursement accounts to a health savings account, and penalties in connection therewith.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------|
| CAHU | Support | | CAHU TOP PRIORITY BILL |

Notes 1: CAHU SUPPORTS AB 2384 which would 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.

AB 2625 (Boerner Horvath D) Emergency ground medical transportation.

Current Text: Introduced: 2/20/2020 [html](#) [pdf](#)

Introduced: 2/20/2020

Status: 3/2/2020-Referred to Com. on HEALTH.

Location: 3/2/2020-A. HEALTH

Summary: Would require a health care service plan contract or a health insurance policy issued, amended, or renewed on or after January 1, 2021, that offers coverage for emergency ground medical transportation services to include those services as in-network services and would require the plan or insurer to pay those services at the contracted rate pursuant to the plan contract or policy. Because a willful violation of the bill's requirements relative to a health care service plan would be a crime, the bill would impose a state-mandated local program

| Organization | Position | Subject | Group |
|--------------|--------------------|---------|------------------------|
| CAHU | Support if Amended | | CAHU TOP PRIORITY BILL |

Notes 1: CAHU SUPPORTS AB 2625 which would require a health care service plan contract or a health insurance policy issued, amended, or renewed on or after January 1, 2021, that offers coverage for emergency ground medical transportation services to include those services as in-network services and would require the plan or insurer to pay those services at the contracted rate pursuant to the plan contract or policy. We propose to amend this bill to set the reimbursement per existing practices established by AB72 (125% of Medicare).

AB 2781 (Wicks D) Health care coverage: treatment for infertility.

Current Text: Introduced: 2/20/2020 [html](#) [pdf](#)

Introduced: 2/20/2020

Status: 3/2/2020-Referred to Com. on HEALTH.

Location: 3/2/2020-A. HEALTH

Summary: Would require every health care service plan contract or health insurance policy that is issued, amended, or renewed on or after January 1, 2021, to provide coverage for the treatment of infertility. The bill would revise the definition of infertility, and would remove the exclusion of in vitro fertilization from coverage. The bill would delete the exemption for religiously affiliated employers, health care service plans, and health insurance policies, from the requirements relating to coverage for the treatment of infertility, thereby imposing these requirements on these employers, plans, and policies.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------------|
| CAHU | Oppose | | CAHU TOP PRIORITY BILL, Priority 3 |

Notes 1: CAHU is OPPOSED L3 to AB 2781 because the associated costs could devastate the small group health insurance market, where employers are not required to provide coverage and are sensitive to price increases, and may elect to drop coverage for employees. The average cost of fertility treatment is \$22K per treatment and it takes an average of three treatments to be effective. There is also concern that this bill could also lead to medical tourism in CA.

SB 65 (Pan D) Health care coverage: financial assistance.

Current Text: Amended: 1/23/2020 [html](#) [pdf](#)

Introduced: 1/8/2019

Last Amend: 1/23/2020

Status: 1/23/2020-From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.

Location: 1/23/2020-A. APPR.

Summary: Current law creates the California Health Benefit Exchange (the Exchange), also known as Covered California, for the purpose of facilitating the enrollment of qualified individuals and qualified small employers in qualified health plans as required under the PPACA. Until January 1, 2023, current law requires the Exchange, among other duties, to administer an individual market assistance program to provide assistance, including premium assistance subsidies, to program participants with household incomes at or below 600% of the federal poverty level. This bill would

reduce premiums to zero for program participants with household incomes at or below 138% of the federal poverty level, and would specify the premium assistance subsidy amount for program participants with household incomes of 139% to 600%, inclusive, of the federal poverty level.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------|
| CAHU | Watch | | CAHU TOP PRIORITY BILL |

Notes 1: CAHU was closely WATCHING SB 65 which was the previous vehicle for premium assistance. Now the bill requires Covered California to develop and prepare one or more reports to be issued at least quarterly and be made publicly available within 30 days following the end of each quarter for the purpose of informing the California Health and Human Services Agency, the Legislature, and the public about the enrollment process for the individual market assistance program, as specified.

The previous contents of the bill were enacted in the Budget (SB 78) which included \$428.6 million General Fund in 2019-20, \$479.8 million in 2020-21, and \$547.2 million in 2021-22 to provide subsidies to qualified individuals between 200 and 600 percent of the federal poverty level and individuals at or below 138 percent of the federal poverty level.

The Budget also includes statutory changes to allow Covered California to implement the program, which sunsets January 1, 2023.

The Budget will provide premium assistance of approximately \$10 per month to 663,000 individuals with incomes above 200 percent and at or below 400 percent of the federal poverty level. These individuals are also eligible for significant federal assistance through Covered California.

Additionally, California will become the first state in the nation to extend premium assistance to qualified individuals with incomes between 400 and 600 percent of the federal poverty level. The Budget will provide assistance of approximately \$119 per month to 235,000 individuals within this range.

SB 746 **(Bates R) Health care coverage: anticancer medical devices.**

Current Text: Amended: 5/30/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Last Amend: 5/30/2019

Status: 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 6/26/2019)(May be acted upon Jan 2020)

Location: 8/30/2019-A. 2 YEAR

Summary: Would require health care service plan contracts and health insurance policies issued, amended, or renewed on or after January 1, 2020, that cover chemotherapy or radiation therapy for the treatment of cancer to also cover anticancer medical devices. The bill would define "anticancer medical device" as a medical device that has been approved for marketing by the federal Food and Drug Administration or is exempt from that approval, is primarily designed to be used outside of a medical facility, and has been prescribed by an authorized provider upon the provider's determination that the device is medically reasonable and necessary for the treatment of the patient's cancer.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Support | | CAHU TOP PRIORITY BILL, Priority 3 |

Notes 1: CAHU SUPPORTS (L3) SB 746 which would include anticancer devices as a part of covered cancer treatment. This would provide an extension/clarification of what is assumed to be coverage in place for consumers. Too often, when cancer patients are being told their options, an anticancer device is brought to their attention that they want to utilize, only to find out it is not covered.

Report findings from CHBRP analysis

SB 852 **(Pan D) Health care: prescription drugs.**

Current Text: Amended: 3/16/2020 [html](#) [pdf](#)

Introduced: 1/13/2020

Last Amend: 3/16/2020

Status: 5/13/2020-Action From HEALTH: Do pass as amended.To APPR..

Location: 5/13/2020-S. APPR.

Summary: Would establish the Office of Drug Contracting and Manufacturing within the California Health and Human Services Agency to, among other things, increase patient access to affordable drugs. The bill would require the office, on or before January 1, 2022, to contract or partner with at least one drug company or generic drug manufacturer to produce at least 10 generic prescription drugs, as determined by the office, and insulin at a price that results in savings for providers, patients, and purchasers.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------|
| CAHU | Watch | Rx | CAHU TOP PRIORITY BILL |

Notes 1: CAHU is closely WATCHING SB 852 which would establish the Office of Drug Contracting and Manufacturing within the California Health and Human Services Agency to, among other things, increase patient access to affordable drugs. On or before January 1, 2022 the Office would contract or partner with at least one drug company or generic drug manufacturer to produce at least 10 generic prescription drugs, at a price that results in savings for providers, patients, and purchasers.

SB 854 (Beall D) Health care coverage: substance use disorders.

Current Text: Amended: 4/24/2020 [html](#) [pdf](#)

Introduced: 1/14/2020

Last Amend: 4/24/2020

Status: 4/24/2020-From committee with author's amendments. Read second time and amended. Re-referred to Com. on HEALTH.

Location: 1/22/2020-S. HEALTH

Summary: Would require health care service plan contracts and health insurance policies issued, amended, or renewed on or after January 1, 2021, that provide outpatient prescription drug benefits to cover all medically necessary prescription drugs approved by the United States Food and Drug Administration (FDA) for treating substance use disorders that are appropriate for the specific needs of an enrollee or insured. The bill would require those drugs to be placed on the lowest cost-sharing tier of the plan or insurer's prescription drug formulary, unless specified criteria are met. The bill would, among other prohibitions, prohibit prior authorization or step therapy requirements on a prescription drug approved by the FDA for treating substance use disorders, unless specified criteria are met.

| Organization | Position | Subject | Group |
|--------------|----------|---------|------------------------------------|
| CAHU | Oppose | Rx | CAHU TOP PRIORITY BILL, Priority 2 |

Notes 1: CAHU is OPPOSED L2 to SB 854 which would require plans and policies regulated by the California Department of Managed Health Care (DMHC) or the California Department of Insurance (CDI) that include a pharmacy benefit to place all medications approved by the federal Food and Drug Administration (FDA) and indicated for treatment of substance use disorders (SUDs) on the formulary's lowest tier. SB 854 would also prohibit application of step therapy ("fail first"), prior authorization, and some other utilization management protocols for the coverage of these FDA-approved SUD medications. In addition, SB 854 would prohibit application of prior authorization protocols to the coverage of behavioral health services that are "in conjunction" with the FDA-approved SUD medications. SB 854 would exempt from compliance DMHC-regulated plans enrolling Medi-Cal beneficiaries.

SB 855 (Wiener D) Health coverage: mental health or substance abuse disorders.

Current Text: Amended: 5/5/2020 [html](#) [pdf](#)

Introduced: 1/14/2020

Last Amend: 5/5/2020

Status: 5/13/2020-Action From JUD.: Do pass as amended.To APPR..

Location: 5/13/2020-S. APPR.

Summary: The California Mental Health Parity Act requires every health care service plan contract or disability insurance policy issued, amended, or renewed on or after July 1, 2000, that provides hospital, medical, or surgical coverage to provide coverage for the diagnosis and medically necessary treatment of severe mental illnesses of a person of any age, and of serious emotional

disturbances of a child under the same terms and conditions applied to other medical conditions, as specified. Existing law requires those benefits to include, among other things, outpatient services, inpatient hospital services, partial hospital services, and prescription drugs, if the plan contract or policy includes coverage for prescription drugs. This bill would revise and recast those provisions, and would instead require a health care service plan contract or disability insurance policy issued, amended, or renewed on or after January 1, 2021, provide coverage for medically necessary treatment of mental health and substance use disorders, as defined, under the same terms and conditions applied to other medical conditions.

| Organization | Position | Subject | Group |
|--------------|----------|---------|--|
| CAHU | Watch | | CAHU TOP PRIORITY BILL, New Mandate |

Notes 1: CAHU is watching SB 855 which repeals California's mental health parity law and replaces it with a requirement on health plans and disability insurers to cover medically necessary treatment of mental health and substance use disorders under the same terms and conditions applied to other medical conditions. Establishes extensive requirements for medically necessary care determinations and utilization review.

[SB 983](#)

(Rubio D) Unused medications: cancer medication recycling.

Current Text: Introduced: 2/12/2020 [html](#) [pdf](#)

Introduced: 2/12/2020

Status: 5/12/2020-Referral to Com. on JUD. rescinded due to the shortened 2020 Legislative Calendar.

Location: 5/12/2020-S. B., P. & E.D.

Summary: Would establish a program for the collection and distribution of eligible unused cancer medications, to be known as the Cancer Medication Recycling Act. The bill would require each participating practitioner, as defined, in the collection and distribution of those medications to be registered with the board, as specified, and would require the board to create a registry for participating practitioners, including developing both a donor and a recipient form containing specified information. The bill would authorize the board to charge a fee, not to exceed \$300, as specified, to issue or renew the registration certificate of a participating practitioner under the program. The fee would be deposited in the Contingent Fund of the Medical Board of California.

| Organization | Position | Subject | Group |
|--------------|----------|---------|---|
| CAHU | Support | | CAHU TOP PRIORITY BILL, Priority 2 |

Notes 1: CAHU SUPPORTS SB 983 which would establish a program for the collection and distribution of eligible unused cancer medications, to be known as the Cancer Medication Recycling Act. We are supportive of new and innovative means of reducing the cost and improving access to life saving medication for low-income cancer patients.

Priority 1/Key Bill- Submit a letter outlining CAHU's position to the author and in official legislative records. Testify in committees and lobby key staff and legislators at every opportunity. Submit letter to the Governor asking for a signature or veto. Communicate frequent updates to CAHU leadership and membership on efforts relating to all of the above.

Priority 2- Submit a letter outlining CAHU's position to the author and for official legislative records. Testify in committees and lobby key staff and legislators when time permits. Submit letter to the Governor asking for a signature or veto. Communicate significant updates to CAHU leadership and membership on substantive changes.

Priority 3- CAHU supports/opposes in concept and may join a coalition aligned with our perspective but staff time will not be allocated to generating letters or lobbying efforts.

Watch- Bill is monitored for amendments and is tracked for any movement through the legislative process. Changes are reported to leadership in a prompt time frame. Most frequently used when bills are spot or intent language and awaiting further amendments

Total Measures: 24

Total Tracking Forms: 24

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