



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

AB-2893 California Health Benefit Review Program: financial impacts. (2017-2018)

SHARE THIS:  

Date Published: 09/10/2018 09:00 PM

Assembly Bill No. 2893

CHAPTER 326

An act to amend Section 127660 of the Health and Safety Code, relating to health care coverage.

[Approved by Governor September 10, 2018. Filed with Secretary of State September 10, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2893, Waldron. California Health Benefit Review Program: financial impacts.

Existing law requests the University of California to prepare a written analysis with relevant data on public health, medical, financial, and other impacts of legislation that proposes to mandate or repeal a mandated benefit or service, as specified. Existing law requests the University of California to provide the analysis to the appropriate policy and fiscal committees of the Legislature, as specified. Existing law establishes the Health Care Benefits Fund in the State Treasury to effectively support the University of California and its work in implementing these provisions.

This bill would additionally request the University of California to include in its analysis, as part of the financial impacts of that legislation, relevant data on the impact of coverage or repeal of coverage of the benefit or service on anticipated costs or savings estimated upon implementation for one subsequent calendar year, or, if applicable, 2 subsequent calendar years through a long-range estimate.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 127660 of the Health and Safety Code is amended to read:

127660. (a) The Legislature hereby requests the University of California to establish the California Health Benefit Review Program to assess legislation proposing to mandate a benefit or service, as defined in subdivision (d), and legislation proposing to repeal a mandated benefit or service, as defined in subdivision (e), and to prepare a written analysis with relevant data on the following:

(1) Public health impacts, including, but not limited to, all of the following:

(A) The impact on the health of the community, including the reduction of communicable disease and the benefits of prevention such as those provided by childhood immunizations and prenatal care.

(B) The impact on the health of the community, including diseases and conditions where disparities in outcomes associated with the social determinants of health as well as gender, race, sexual orientation, or gender identity are established in peer-reviewed scientific and medical literature.

(C) The extent to which the benefit or service reduces premature death and the economic loss associated with disease.

(2) Medical impacts, including, but not limited to, all of the following:

(A) The extent to which the benefit or service is generally recognized by the medical community as being effective in the screening, diagnosis, or treatment of a condition or disease, as demonstrated by a review of scientific and peer-reviewed medical literature.

(B) The extent to which the benefit or service is generally available and utilized by treating physicians.

(C) The contribution of the benefit or service to the health status of the population, including the results of any research demonstrating the efficacy of the benefit or service compared to alternatives, including not providing the benefit or service.

(D) The extent to which mandating or repealing the benefits or services would not diminish or eliminate access to currently available health care benefits or services.

(3) Financial impacts, including, but not limited to, all of the following:

(A) The extent to which the coverage or repeal of coverage will increase or decrease the benefit or cost of the benefit or service.

(B) The extent to which the coverage or repeal of coverage will increase the utilization of the benefit or service, or will be a substitute for, or affect the cost of, alternative benefits or services.

(C) The extent to which the coverage or repeal of coverage will increase or decrease the administrative expenses of health care service plans and health insurers and the premium and expenses of subscribers, enrollees, and policyholders.

(D) The impact of this coverage or repeal of coverage on the total cost of health care.

(E) The impact of this coverage or repeal of coverage on anticipated costs or savings estimated upon implementation for one subsequent calendar year, or, if applicable, two subsequent calendar years through a long-range estimate.

(F) The potential cost or savings to the private sector, including the impact on small employers as defined in paragraph (1) of subdivision (l) of Section 1357, the Public Employees' Retirement System, other retirement systems funded by the state or by a local government, individuals purchasing individual health insurance, and publicly funded state health insurance programs, including the Medi-Cal program and the Healthy Families Program.

(G) The extent to which costs resulting from lack of coverage or repeal of coverage are or would be shifted to other payers, including both public and private entities.

(H) The extent to which mandating or repealing the proposed benefit or service would not diminish or eliminate access to currently available health care benefits or services.

(I) The extent to which the benefit or service is generally utilized by a significant portion of the population.

(J) The extent to which health care coverage for the benefit or service is already generally available.

(K) The level of public demand for health care coverage for the benefit or service, including the level of interest of collective bargaining agents in negotiating privately for inclusion of this coverage in group contracts, and the extent to which the mandated benefit or service is covered by self-funded employer groups.

(L) In assessing and preparing a written analysis of the financial impact of legislation proposing to mandate a benefit or service and legislation proposing to repeal a mandated benefit or service pursuant to this paragraph, the Legislature requests the University of California to use a certified actuary or other person with relevant knowledge and expertise to determine the financial impact.

(4) The impact on essential health benefits, as defined in Section 1367.005 of this code and Section 10112.27 of the Insurance Code, and the impact on the California Health Benefit Exchange.

(b) The Legislature further requests that the California Health Benefit Review Program assess legislation that impacts health insurance benefit design, cost sharing, premiums, and other health insurance topics.

(c) The Legislature requests that the University of California provide every analysis to the appropriate policy and fiscal committees of the Legislature not later than 60 days, or in a manner and pursuant to a timeline agreed to by the Legislature and the California Health Benefit Review Program, after receiving a request made pursuant to Section 127661. In addition, the

Legislature requests that the university post every analysis on the Internet and make every analysis available to the public upon request.

(d) As used in this section, “legislation proposing to mandate a benefit or service” means a proposed statute that requires a health care service plan or a health insurer, or both, to do any of the following:

(1) Permit a person insured or covered under the policy or contract to obtain health care treatment or services from a particular type of health care provider.

(2) Offer or provide coverage for the screening, diagnosis, or treatment of a particular disease or condition.

(3) Offer or provide coverage of a particular type of health care treatment or service, or of medical equipment, medical supplies, or drugs used in connection with a health care treatment or service.

(e) As used in this section, “legislation proposing to repeal a mandated benefit or service” means a proposed statute that would repeal an existing requirement that a health care service plan or a health insurer, or both, do any of the following:

(1) Permit a person insured or covered under the policy or contract to obtain health care treatment or services from a particular type of health care provider.

(2) Offer or provide coverage for the screening, diagnosis, or treatment of a particular disease or condition.

(3) Offer or provide coverage of a particular type of health care treatment or service, or of medical equipment, medical supplies, or drugs used in connection with a health care treatment or service.