

MANAGED RISK MEDICAL INSURANCE BOARD
STATE LEGISLATIVE REPORT

June 10, 2011

Bill	Summary
AB 52 (Feuer)	Health Care Coverage: Rate Approval
Version: A-6/1/2011	Would require a health care service plan or health insurer that issues individual or group contracts or policies to file with the Department of Managed Health Care or the Department of Insurance, beginning January 1, 2012, a complete application for any proposed rate or rate change, and would prohibit DMHC or DOI from approving any rate or rate change that is found to be excessive, inadequate or unfairly discriminatory. The bill would authorize the imposition of fees and civil penalties on health care service plans and health insurers for deposit into newly created funds, subject to appropriation.
Sponsor: Author	
Status: Senate Health	
AB 714 (Atkins)	Health Care Coverage: California Health Benefit Exchange
Version: A-5/27/2011	This bill would require certain public insurance programs, including HFP, AIM, MRMIP and PCIP to notify individuals who cease to be enrolled that they may be eligible for the Exchange and, upon approval from the federal government, would require them to transfer information to the Exchange to determine eligibility and initiate enrollment. The bill would also require certain hospitals, when billing, to include additional disclosures regarding health care coverage through the Exchange.
Sponsor: Health Access	
Status: Senate Health	
AB 792 (Bonilla)	Health Care Coverage: California Health Benefit Exchange
Version: A-5/27/2011	Would require the disclosure of information on health care coverage through the California Health Benefit Exchange by health care service plans, health insurers, employers, employee associations, the Employment Development Department upon an initial claim for disability benefits, or by the court upon the filing of a petition for dissolution of marriage, nullity of marriage, legal separation or adoption.
Sponsor: Author	
Status: Senate Health	
AB 823 (Dickinson)	Children's Cabinet of California
Version: A-5/27/2011	Would establish the Children's Cabinet of California to consist of the Superintendent of Public Instruction, the Secretary of the California Health and Human Services Agency and the heads of several other specified agencies and departments within the state that provide services for, or have jurisdiction over the well-being of children. It would set forth its powers and duties, including promoting and implementing information sharing, collaboration, increased efficiency and improved service delivery among and within the state's child-serving agencies, departments and organizations.
Sponsor: Children Now	
Status: Senate	
AB 916 (V. Manuel Pérez)	Promotores: Medically Underserved Communities: Federal Grants.
Version: A-5/27/2011	Would require the state Department of Public Health to assess grants to promote positive health behaviors and outcomes available pursuant to the federal Affordable Care Act related to the use of promotores, also known as community health workers, in medically underserved communities. The bill
Sponsor: Author	

* New since last Board meeting.

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

Status: Senate would also require the department to report on this assessment with recommendations for attaining and maximizing federal funding to the fiscal and health policy committees of the Legislature by April 1, 2012,

AB 922 (Monning)

Office of the Patient Advocate

Version: A-5/27/2011

Sponsors: Western Center on Law and Poverty; Health Access

Status: Senate

Would transfer the Office of the Patient Advocate from the Department of Managed Health Care to instead operate as an independent entity within state government. It would require the Office of the Patient Advocate to provide assistance, outreach and education about health care coverage to consumers and would require specified state agencies, including the Managed Risk Medical Insurance Board, to make reports to the office regarding consumer complaints submitted to those agencies.

AB 1083 (Monning)

Health Care Coverage: ACA Conformity

Version: A-5/24/2011

Sponsors: Health Access; Small Business Majority

Status: Senate Health

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 things, the bill would prohibit plans from excluding coverage on the basis of a preexisting condition beginning in 2014.

AB 1296 (Bonilla)

Health Care Eligibility, Enrollment, and Retention Act

Version: A-5/27/2011

Sponsor: Western Center on Law and Poverty

Status: Senate

Would enact the Health Care Eligibility, Enrollment, and Retention Act, which would require the California Health and Human Services Agency, in consultation with specified entities, to establish a standardized single application form and related renewal procedures for Medi-Cal, the Healthy Families Program, and the Exchange.

AB 1334 (Feuer)

Individual Health Plans: Essential Benefits and Actuarial Value of Coverage

Version: A-5/5/2011

Sponsor: Author

Status: Senate

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. It would also require health care service plans and health insurers, commencing July 1, 2014, 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.

SB 7 (Steinberg)

Medi-Cal: Hospitals: Quality Assurance Fee

Version: I-12/6/2010

Sponsor: California Hospital Association

Status: Senate
-- Introduced

Would declare that it is the intent of the Legislature to enact legislation to extend the quality assurance fee currently imposed on general acute care hospitals through June 30, 2011. The fee, first authorized in 2009 and approved by the Centers for Medicaid and Medicare Services in 2010, allowed the Department of Health Care Services to use the increased federal match provided by the American Reinvestment and Recovery Act for supplemental reimbursements to hospitals and managed health care plans and to provide \$80 million per quarter for health care coverage for children. That fee is

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scheduled to expire June 30, 2011.

SB 36 (Simitian)	County Health Initiative Matching Fund
Version: A-3/29/2011	Would expand eligibility in the County Health Initiative Matching Fund program, also known as C-CHIP, to children in families with incomes between 300 and 400 percent of the federal poverty level. San Mateo County currently provides coverage for children up to 400 percent FPL. This bill would allow the county to replace local funds with federal CHIP matching funds upon approval by MRMIB and the federal government. It would also expand eligibility requirements to include children who, although they may have met the requirements for HFP, are unable to enroll when enrollment caps are utilized due to budget limitations. <i>No state funds would be used to support these expansions. An identical bill, SB 1431, was passed by the Legislature in 2010, but vetoed by the Governor.</i>
Sponsor: San Mateo County	
Status: Assembly	
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SB 51 (Alquist)	Health Care Coverage: Benefit Limits: Medical Loss Ratio
Version: A-5/31/2011	Would require health care service plans and health insurers to comply with the Affordable Care Act's prohibition on lifetime limits and restricted annual limits. The bill would also require those same entities to comply with the Affordable Care Act's requirement to provide rebates to enrollees in plans that fall below the 85 percent and 80 percent medical loss ratios for large group coverage and small group / individual coverage, respectively. The bill would authorize the Department of Managed Health Care to issue regulations to implement the medical loss ratio requirements as set forth by the ACA and any rules or regulations issued by the federal government under authority granted by the ACA.
Sponsor: Insurance Commissioner Dave Jones	
Status: Assembly	
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SB 222 (Alquist)	Health Plans: Joint Ventures
Version: I-2/9/2011	Would authorize a health system that is governed, owned, or operated by a county board of supervisors, a county special commission, a county-organized health system, a county health authority or the County Medical Services Program, to form joint ventures to offer health plans to individuals and groups.
Sponsor: Author	
Status: Assembly	
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SB 335 (Hernandez and Steinberg)	Medi-Cal: Hospitals: Quality Assurance Fee
Version: A-6/9/2011	Would establish a quality assurance fee to be paid by hospitals for the period of July 1, 2011 through June 30, 2012, to be made available for certain purposes, including increased Medicaid payments. A similar fee, first authorized in 2009 and approved by the Centers for Medicaid and Medicare Services in 2010, allowed the Department of Health Care Services to use the increased federal match provided by the American Reinvestment and Recovery Act for supplemental reimbursements to hospitals and increased capitation payments to Medi-Cal managed health care plans and to provide \$80 million per quarter for health care coverage for children. That fee is scheduled to expire June 30, 2011.
Sponsor: California Hospital Association	
Status: Senate Health	

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SB 486 (Dutton)	California Children and Families Program: Funding
Version: I-2/17/2011	Would submit to the voters an initiative to abolish the California Children and Families Commission and the county children and families commissions, effective 90 days after approval in the next statewide general election.
Sponsor: Author	
Status: Senate Health	
SB 635 (Hernandez)	Health Care: Workforce Training
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	
SB 703 (Hernandez)	Managed Risk Medical Insurance Board: Basic Health Program
Version: A-5/31/2011	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 to 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.
Sponsor: Local Health Plans of California	
Status: Assembly	
SB 728 (Hernandez)	Health Care Coverage: Risk Adjustment System: ACA Conformity
Version: A-5/31/2011	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.
Sponsor: Author	
Status: Assembly Health	

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2 Year Bills No Longer Being Reported

Bill	Summary
AB 43 (Monning)	Medi-Cal: Eligibility
Version: A-5/27/2011	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 adjusted incomes that do not exceed 133 percent of the federal poverty level. <i>Among other changes, 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.</i>
Sponsor: Author	
Status: Assembly -- 2 year bill	
AB 70 (Monning)	California Health and Human Services Agency: Public Health: Federal Grant Opportunities
Version: I-12/16/2010	Would require the California Health and Human Services Agency to direct the appropriate departments to apply for federal grants provided for by the Affordable Care Act and the Healthy, Hunger-Free Kids Act of 2010. Community Transformation Grants under the Affordable Care Act are to be awarded to state and local governmental agencies and community-based organizations to promote evidence-based community preventive health activities, including programs to promote healthy eating, physical activities, food security, smoking cessation, mental health and safety.
Sponsor: Author	
Status: Assembly -- 2 year bill	
AB 652 (Mitchell)	Child Health Assessments
Version: A-5/10/2011	Would require that an initial health assessment and a forensic medical evaluation for children newly placed in out-of-home care shall be covered benefits under the Healthy Families Program, the Medi-Cal Program and health care service plans licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975. According to the author, the Los Angeles County Department of Health Services provides initial medical examinations and forensic evaluations to all referred children, but is only reimbursed for these services when they are provided to children with fee-for-service Medi-Cal.
Sponsor: L.A. County	
Status: Assembly -- 2 year bill	
SB 677 (Hernandez)	Medi-Cal: Eligibility: ACA Conformity
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: Senate -- 2 year bill	

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

SB 810 (Leno)	Single-Payer Health Care Coverage
Version: A-5/10/2011	Would establish the California Healthcare System to be administered by the newly created California Healthcare Agency under the control of a Healthcare Commissioner appointed by the Governor and subject to confirmation by the Senate. The bill would make all California residents eligible for health care benefits under the California Healthcare System, which would, on a single-payer basis, negotiate for or set fees for health care services provided through the system and pay claims for those services. The bill would require the commissioner to seek all necessary waivers, exemptions, agreements, or legislation to allow various existing federal, state and local health care payments to be paid to the California Healthcare System, which would then assume responsibility for all benefits and services previously paid for with those funds.
Sponsor: Various	
Status: Senate -- 2 year bill	

Other Bills No Longer Being Reported

Reason	Description
AB 589 (Perea)	Medical School Scholarships
This bill was amended 5/27/2011 to delete provisions allocating the MRMIP funding stream to be used as the funding mechanism for the scholarships.	Would shift managed care administrative fine and penalty funding from the Major Risk Medical Insurance Program to the Steven M. Thompson Medical School Scholarship Program administered by the Office of Statewide Health Planning and Development to promote the education of medical doctors and doctors of osteopathy beginning in 2014.

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