

ASSEMBLY BILL

No. 185

Introduced by Assembly Member Hernández

January 25, 2011

An act to add Section 10123.865 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 185, as introduced, Hernández. Maternity services.

Existing law provides for the regulation of health insurers by the Department of Insurance. Under existing law, a health insurer that provides maternity coverage may not restrict inpatient hospital benefits, as specified, and is required to provide notice of the maternity services coverage.

This bill would require new forms for health insurance policies submitted to the department after January 1, 2012, to provide coverage for maternity services, as defined, except as specified. With respect to policy forms on file with the department as of January 1, 2012, the bill would require health insurers to submit to the department, on or before March 1, 2012, revised policy forms that provide coverage for maternity services and would require insurers to include that coverage in the corresponding policies that are issued, amended, or renewed following the department's approval of the revised forms, as specified.

The bill would also specify findings and declarations of the Legislature regarding health care coverage for maternity services.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares the following:

2 (a) In actual practice, health care service plans have been
3 required by the Knox-Keene Health Care Service Plan Act of 1975
4 (Chapter 2.2 (commencing with Section 1340) of Division 2 of
5 the Health and Safety Code) to provide maternity services as a
6 basic health care benefit.

7 (b) At the same time, existing law does not require health
8 insurers to provide designated basic health care services and,
9 therefore, health insurers are not required to provide coverage for
10 maternity services.

11 (c) Therefore, it is essential to clarify that all health coverage
12 made available to California consumers, whether issued by health
13 care service plans regulated by the Department of Managed Health
14 Care or by health insurers regulated by the Department of
15 Insurance, must include maternity services.

16 SEC. 2. Section 10123.865 is added to the Insurance Code, to
17 read:

18 10123.865. (a) With respect to a pending or approved
19 individual or group health insurance policy form on file with the
20 department as of January 1, 2012, a health insurer shall submit to
21 the department, on or before March 1, 2012, a revised policy form
22 that provides coverage for maternity services. The corresponding
23 policy issued, amended, or renewed on or after 30 days following
24 the department’s approval of the revised form shall include
25 coverage for maternity services.

26 (b) New forms for individual or group policies of health
27 insurance submitted to the department after January 1, 2012, shall
28 provide coverage for maternity services.

29 (c) For purposes of this section, “maternity services” include
30 prenatal care, ambulatory care maternity services, involuntary
31 complications of pregnancy, neonatal care, and inpatient hospital
32 maternity care, including labor and delivery and postpartum care.

33 (d) This section shall not apply to specialized health insurance,
34 Medicare supplement insurance, short-term limited duration health
35 insurance, CHAMPUS-supplement insurance, or TRI-CARE

- 1 supplement insurance, or to hospital indemnity, accident-only, or
- 2 specified disease insurance.

O