

[Amended Language sent to CHBRP on May 11, 2006]

BILL NUMBER: AB 2012 AMENDED
BILL TEXT

AMENDED IN ASSEMBLY APRIL 19, 2006

INTRODUCED BY Assembly Member Emmerson

FEBRUARY 9, 2006

An act to amend Section 1367.18 of the Health and Safety Code, and to amend Section 10123.7 of the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

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

SECTION 1. Section 1367.18 of the Health and Safety Code is amended to read:

1367.18. (a) Every health care service plan, except a specialized health care service plan, that covers hospital, medical, or surgical expenses on a group basis shall offer coverage for orthotic and prosthetic devices and services under the terms and conditions that may be agreed upon between the group subscriber and the plan. Every plan shall communicate the availability of that coverage to all group contractholders and to all prospective group contractholders with whom they are negotiating. Any coverage for prosthetic devices shall include original and replacement devices, as prescribed by a physician and surgeon or doctor of podiatric medicine acting within the scope of his or her license . Any coverage for orthotic devices shall provide for coverage when the device, including original and replacement devices, is prescribed by a physician and surgeon or doctor of podiatric medicine acting within the scope of his or her license , or is ordered by a licensed health care provider acting within the scope of his or her license. Every plan shall have the right to conduct a utilization review to determine medical necessity prior to authorizing these services.

~~—(b) The coverage offered under this section shall be provided under the same terms and conditions, including copayments and deductibles, applicable to all other benefits provided by the plan.~~

(b) Notwithstanding subdivision (a), the amount of the benefit for orthotic and prosthetic devices and services shall be no less than the annual and lifetime benefit maximums applicable to the basic health care services required to be provided under Section 1367. If the contract does not include any annual or lifetime benefit maximums applicable to basic health care services, the amount of the benefit for orthotic and prosthetic devices and services shall not be subject to an annual or lifetime maximum benefit level.

Any copayment, coinsurance, deductible and maximum out-of-pocket amount applied to the benefit for orthotic and prosthetic devices and services shall be no more than the most common amounts applied to the basic health care services required to be provided under Section 1367.

the Insurance Code is amended to read:

10123.7. (a) On or after January 1, 1986, every insurer issuing group health insurance shall offer coverage for orthotic and prosthetic devices and services under the terms and conditions that may be agreed upon between the group policyholder and the insurer. Every insurer shall communicate the availability of that coverage to all group policyholders and to all prospective group policyholders with whom they are negotiating. Any coverage for prosthetic devices shall include original and replacement devices, as prescribed by a physician and surgeon or doctor of podiatric medicine acting within the scope of his or her license . Any coverage for orthotic devices shall provide for coverage when the device, including original and replacement devices, is prescribed by a physician and surgeon or doctor of podiatric medicine acting within the scope of his or her license , or is ordered by a licensed health care provider acting within the scope of his or her . Every insurer shall have the right to conduct a utilization review to determine medical necessity prior to authorizing these services.

~~(b) The coverage offered under this section shall be provided under the same terms and conditions, including copayments and deductibles, applicable to all other benefits provided by the policy.~~

(b) Notwithstanding subdivision (a), the amount of the benefit for orthotic and prosthetic devices and services shall be no less than the annual and lifetime benefit maximums applicable to all benefits in the policy.

Any copayment, coinsurance, deductible and maximum out-of-pocket amount applied to the benefit for orthotic and prosthetic devices and services shall be no more than the most common amounts contained in the policy.

(c) This section shall not apply to Medicare supplement, short-term limited duration health insurance, vision-only, dental-only, or CHAMPUS supplement insurance, or to hospital indemnity, hospital-only, accident-only, or specified disease insurance that does not pay benefits on a fixed benefit, cash payment only basis.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.