

ASSEMBLY BILL

No. 1825

Introduced by Assembly Member De La Torre

February 11, 2010

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

LEGISLATIVE COUNSEL'S DIGEST

AB 1825, as introduced, De La Torre. 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, 2011, to provide coverage for maternity services, as defined. With respect to policy forms on file with the department as of January 1, 2011, the bill would require health insurers to submit to the department, on or before March 1, 2011, 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.

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:

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

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

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

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

17 10123.865. (a) With respect to a pending or approved
18 individual or group health insurance policy form on file with the
19 department as of January 1, 2011, a health insurer shall submit to
20 the department, on or before March 1, 2011, a revised policy form
21 that provides coverage for maternity services. The corresponding
22 policy issued, amended, or renewed on or after 30 days following
23 the department’s approval of the revised form shall include
24 coverage for maternity services.

25 (b) New forms for individual or group policies of health
26 insurance submitted to the department after January 1, 2011, shall
27 provide coverage for maternity services.

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

32 (d) This section shall not apply to specialized health insurance,
33 Medicare supplement insurance, short-term limited duration health
34 insurance, CHAMPUS-supplement insurance, or TRI-CARE
35 supplement insurance, or to hospital indemnity, accident-only, or
36 specified disease insurance.