

**ASSEMBLY BILL**

**No. 2208**

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**Introduced by Assembly Member Kehoe**

February 18, 2004

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An act to amend Section 1374.58 of the Health and Safety Code, and to amend Section 10121.7 of, and to add Section 381.5 to, the Insurance Code, relating to domestic partners.

LEGISLATIVE COUNSEL'S DIGEST

AB 2208, as introduced, Kehoe. Health care and insurance benefits.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans and makes a violation of the act's provisions a crime. Existing law also provides for the regulation of health insurers and all other forms of insurance by the Department of Insurance. Under existing law, health care service plans and health insurers are required to offer coverage for the domestic partner of an employee, subscriber, insured, or policyholder to the same extent and subject to the same terms and conditions as provided to a dependent of those persons.

This bill would require a health care service plan and a health insurer to provide coverage to the domestic partner of an employee, subscriber, insured, or policyholder that is equal to the coverage it provides to the spouse of those persons. The bill would extend this requirement to all other forms of insurance regulated by the Department of Insurance and would deem that all of those policies as well as health care service plans and health insurance policies issued, amended, delivered, or renewed in this state on or after January 1, 2005, provide domestic partner coverage equal to that provided to spouses.

Because the bill would specify additional requirements for a health care service plan, the violation of which would be a crime, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. This act shall be known and may be cited as the  
2 California Insurance Equity For All Families Act.

3 SEC. 2. Section 1374.58 of the Health and Safety Code is  
4 amended to read:

5 1374.58. (a) A group health care service plan that provides  
6 hospital, medical, or surgical expense benefits shall ~~offer~~ *provide*  
7 *equal* coverage to employers or guaranteed associations, as  
8 defined in Section 1357, for the domestic partner of an employee  
9 or subscriber to the same extent, and subject to the same terms and  
10 conditions, as provided to a ~~dependent~~ *spouse* of the employee or  
11 subscriber, and shall inform employers and guaranteed  
12 associations of ~~the availability of~~ this coverage. *A plan may not*  
13 *offer or provide coverage for a domestic partner that is not equal*  
14 *to the coverage provided to the spouse of an employee or*  
15 *subscriber.*

16 (b) If an employer or guaranteed association has purchased  
17 coverage for *wives and* domestic partners pursuant to  
18 subdivision (a), a health care service plan that provides hospital,  
19 medical, or surgical expense benefits for employees or subscribers  
20 and their ~~dependents~~ *wives* shall enroll ~~as a dependent~~, upon  
21 application by the employer or group administrator, a domestic  
22 partner of an employee or subscriber in accordance with the terms  
23 and conditions of the group contract that apply generally to all  
24 ~~dependents~~ *wives* under the plan, including coordination of  
25 benefits.



1 (c) For purposes of this section, the term “domestic partner”  
2 shall have the same meaning as that term is used in Section 297 of  
3 the Family Code.

4 (d) (1) A health care service plan may require that the  
5 employee or subscriber verify the status of the domestic  
6 partnership by providing to the plan a copy of a valid Declaration  
7 of Domestic Partnership filed with the Secretary of State pursuant  
8 to Section 298 of the Family Code or an equivalent document  
9 issued by a local agency of this state, another state, or a local  
10 agency of another state under which the partnership is created. The  
11 plan may also require that the employee or subscriber notify the  
12 plan upon the termination of the domestic partnership.

13 (2) *Notwithstanding paragraph (1), a health care service plan*  
14 *may require the information described in that paragraph only if it*  
15 *requests verification of marital status and notification of its*  
16 *dissolution.*

17 (e) Nothing in this section shall be construed to expand the  
18 requirements of Section 4980B of Title 26 of the United States  
19 Code, Section 1161, and following, of Title 29 of the United States  
20 Code, or Section 300bb-1, and following, of Title 42 of the United  
21 States Code, as added by the Consolidated Omnibus Budget  
22 Reconciliation Act of 1985 (Public Law 99-272), and as those  
23 provisions may be later amended.

24 (f) *A plan subject to this section that is issued, amended,*  
25 *delivered, or renewed in this state on or after January 1, 2005,*  
26 *shall be deemed to provide coverage for domestic partners that is*  
27 *equal to the coverage provided to a spouse of an employee or*  
28 *subscriber.*

29 SEC. 3. Section 381.5 is added to the Insurance Code, to read:

30 381.5. (a) Every policy issued, amended, delivered, or  
31 renewed in this state shall provide coverage for the domestic  
32 partner of an insured or policyholder that is equal to, and subject  
33 to the same terms and conditions as, the coverage provided to a  
34 spouse of an insured or policyholder. A policy may not offer or  
35 provide coverage for a domestic partner if it is not equal to the  
36 coverage provided for the spouse of an insured or policyholder.  
37 This subdivision applies to all forms of insurance regulated by this  
38 code.

39 (b) A policy subject to this section that is issued, amended,  
40 delivered, or renewed in this state on or after January 1, 2005, shall



1 be deemed to provide coverage for domestic partners that is equal  
2 to the coverage provided to a spouse of an insured or policyholder.

3 SEC. 4. Section 10121.7 of the Insurance Code is amended to  
4 read:

5 10121.7. (a) A policy of group ~~disability~~ *health* insurance  
6 that provides hospital, medical, or surgical expense benefits shall  
7 ~~offer provide equal~~ coverage to employers or guaranteed  
8 associations, as defined in Section 10700, for the domestic partner  
9 of an employee, insured, or policyholder to the same extent, and  
10 subject to the same terms and conditions, as provided to a  
11 ~~dependent~~ *spouse* of the employee, insured, or policyholder, and  
12 shall inform employers and guaranteed associations of ~~the~~  
13 ~~availability of~~ this coverage. *A policy may not offer or provide*  
14 *coverage for a domestic partner that is not equal to the coverage*  
15 *provided to the spouse of an employee, insured, or policyholder.*

16 (b) If an employer or guaranteed association has purchased  
17 coverage for *wives and* domestic partners pursuant to  
18 subdivision (a), a ~~disability~~ *health* insurer that provides hospital,  
19 medical, or surgical expense benefits for employees, insureds, or  
20 policyholders and their ~~dependents~~ *wives* shall enroll ~~as a~~  
21 ~~dependent~~, upon application by the employer or group  
22 administrator, a domestic partner of the employee, insured, or  
23 policyholder in accordance with the terms and conditions of the  
24 group contract that apply generally to all ~~dependents~~ *wives*  
25 under the policy, including coordination of benefits.

26 (c) For purposes of this section, the term “domestic partner”  
27 shall have the same meaning as that term is used in Section 297 of  
28 the Family Code.

29 (d) (1) A policy of group ~~disability~~ *health* insurance may  
30 require that the employee, insured, or policyholder verify the  
31 status of the domestic partnership by providing to the insurer a  
32 copy of a valid Declaration of Domestic Partnership filed with the  
33 Secretary of State pursuant to Section 298 of the Family Code or  
34 an equivalent document issued by a local agency of this state,  
35 another state, or a local agency of another state under which the  
36 partnership is created. The policy may also require that the  
37 employee, insured, or policyholder notify the insurer upon the  
38 termination of the domestic partnership.



1     (2) *Notwithstanding paragraph (1), a policy may require the*  
2 *information described in that paragraph only if it requests*  
3 *verification of marital status and notification of its dissolution.*

4     (e) Nothing in this section shall be construed to expand the  
5 requirements of Section 4980B of Title 26 of the United States  
6 Code, Section 1161, and following, of Title 29 of the United States  
7 Code, or Section 300bb-1, and following, of Title 42 of the United  
8 States Code, as added by the Consolidated Omnibus Budget  
9 Reconciliation Act of 1985 (Public Law 99-272), and as those  
10 provisions may be later amended.

11     (f) *A group health insurance policy subject to this section that*  
12 *is issued, amended, delivered, or renewed in this state on or after*  
13 *January 1, 2005, shall be deemed to provide coverage for domestic*  
14 *partners that is equal to the coverage provided to a spouse of an*  
15 *employee, insured, or policyholder.*

16     SEC. 5. No reimbursement is required by this act pursuant to  
17 Section 6 of Article XIII B of the California Constitution because  
18 the only costs that may be incurred by a local agency or school  
19 district will be incurred because this act creates a new crime or  
20 infraction, eliminates a crime or infraction, or changes the penalty  
21 for a crime or infraction, within the meaning of Section 17556 of  
22 the Government Code, or changes the definition of a crime within  
23 the meaning of Section 6 of Article XIII B of the California  
24 Constitution.

