

AMENDED IN SENATE JULY 6, 2004
AMENDED IN ASSEMBLY APRIL 27, 2004
AMENDED IN ASSEMBLY APRIL 12, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 2208

Introduced by Assembly Member Kehoe
(Principal coauthors: Assembly Members Koretz and Lieber)
(Coauthors: Assembly Members Dymally, Goldberg, Laird,
Leno, *Levine*, Nation, Ridley-Thomas, and Wolk)
(Coauthors: Senators Kuehl, *Romero*, *Soto*, *Speier*, and Vasconcellos)

February 18, 2004

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 amended, 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 *registered* 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 *registered* 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 Equality 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 provide equal
- 7 coverage to employers or guaranteed associations, as defined in
- 8 Section 1357, for the *registered* 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 spouse of the employee or subscriber,
- 11 and shall inform employers and guaranteed associations of this
- 12 coverage. A plan may not offer or provide coverage for a
- 13 *registered* domestic partner that is not equal to the coverage
- 14 provided to the spouse of an employee or subscriber.
- 15 (b) If an employer or guaranteed association has purchased
- 16 coverage for spouses and *registered* domestic partners pursuant to
- 17 subdivision (a), a health care service plan that provides hospital,



1 medical, or surgical expense benefits for employees or subscribers
2 and their spouses shall enroll, upon application by the employer or
3 group administrator, a *registered* domestic partner of an employee
4 or subscriber in accordance with the terms and conditions of the
5 group contract that apply generally to all spouses under the plan,
6 including coordination of benefits.

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

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

19 (2) Notwithstanding paragraph (1), a health care service plan
20 may require the information described in that paragraph only if it
21 also requests from the employee or subscriber whose spouse is
22 provided coverage, verification of marital status and notification
23 of dissolution of the marriage.

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

31 (f) A plan subject to this section that is issued, amended,
32 delivered, or renewed in this state on or after January 1, 2005, shall
33 be deemed to provide coverage for *registered* domestic partners
34 that is equal to the coverage provided to a spouse of an employee
35 or subscriber.

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

37 381.5. (a) Every policy issued, amended, delivered, or
38 renewed in this state shall provide coverage for the *registered*
39 domestic partner of an insured or policyholder that is equal to, and
40 subject to the same terms and conditions as, the coverage provided



1 to a spouse of an insured or policyholder. A policy may not offer
2 or provide coverage for a *registered* domestic partner if it is not
3 equal to the coverage provided for the spouse of an insured or
4 policyholder. This subdivision applies to all forms of insurance
5 regulated by this code.

6 (b) A policy subject to this section that is issued, amended,
7 delivered, or renewed in this state on or after January 1, 2005, shall
8 be deemed to provide coverage for *registered* domestic partners
9 that is equal to the coverage provided to a spouse of an insured or
10 policyholder.

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

13 10121.7. (a) A policy of group health insurance that provides
14 hospital, medical, or surgical expense benefits shall provide equal
15 coverage to employers or guaranteed associations, as defined in
16 Section 10700, for the *registered* domestic partner of an employee,
17 insured, or policyholder to the same extent, and subject to the same
18 terms and conditions, as provided to a spouse of the employee,
19 insured, or policyholder, and shall inform employers and
20 guaranteed associations of this coverage. A policy may not offer
21 or provide coverage for a *registered* domestic partner that is not
22 equal to the coverage provided to the spouse of an employee,
23 insured, or policyholder.

24 (b) If an employer or guaranteed association has purchased
25 coverage for spouses and *registered* domestic partners pursuant to
26 subdivision (a), a health insurer that provides hospital, medical, or
27 surgical expense benefits for employees, insureds, or
28 policyholders and their spouses shall enroll, upon application by
29 the employer or group administrator, a *registered* domestic partner
30 of the employee, insured, or policyholder in accordance with the
31 terms and conditions of the group contract that apply generally to
32 all spouses under the policy, including coordination of benefits.

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

36 (d) (1) A policy of group health insurance may require that the
37 employee, insured, or policyholder verify the status of the
38 domestic partnership by providing to the insurer a copy of a valid
39 Declaration of Domestic Partnership filed with the Secretary of
40 State pursuant to Section 298 of the Family Code or an equivalent



1 document issued by a local agency of this state, another state, or
2 a local agency of another state under which the partnership ~~is~~ *was*
3 created. The policy may also require that the employee, insured,
4 or policyholder notify the insurer upon the termination of the
5 domestic partnership.

6 (2) Notwithstanding paragraph (1), a policy may require the
7 information described in that paragraph only if it also requests
8 from the employee, insured, or policyholder whose spouse is
9 provided coverage, verification of marital status and notification
10 of dissolution of the marriage.

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

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

23 SEC. 5. No reimbursement is required by this act pursuant to
24 Section 6 of Article XIII B of the California Constitution because
25 the only costs that may be incurred by a local agency or school
26 district will be incurred because this act creates a new crime or
27 infraction, eliminates a crime or infraction, or changes the penalty
28 for a crime or infraction, within the meaning of Section 17556 of
29 the Government Code, or changes the definition of a crime within
30 the meaning of Section 6 of Article XIII B of the California
31 Constitution.

