

AMENDED IN SENATE AUGUST 16, 2004

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, *or January 2, 2005, as specified*, 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.



1 (b) If an employer or guaranteed association has purchased
2 coverage for spouses and registered domestic partners pursuant to
3 subdivision (a), a health care service plan that provides hospital,
4 medical, or surgical expense benefits for employees or subscribers
5 and their spouses shall enroll, upon application by the employer or
6 group administrator, a registered domestic partner of an employee
7 or subscriber in accordance with the terms and conditions of the
8 group contract that apply generally to all spouses under the plan,
9 including coordination of benefits.

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

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

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

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

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

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



1 381.5. (a) Every policy issued, amended, delivered, or
2 renewed in this state shall provide coverage for the registered
3 domestic partner of an insured or policyholder that is equal to, and
4 subject to the same terms and conditions as, the coverage provided
5 to a spouse of an insured or policyholder. A policy may not offer
6 or provide coverage for a registered domestic partner if it is not
7 equal to the coverage provided for the spouse of an insured or
8 policyholder. This subdivision applies to all forms of insurance
9 regulated by this code.

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

15 (c) *It is the intent of the Legislature that, for purposes of this*
16 *section, “terms,” “conditions,” and “coverage” do not include*
17 *instances of differential treatment of domestic partners and*
18 *spouses under federal law.*

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

21 10121.7. (a) A policy of group health insurance that provides
22 hospital, medical, or surgical expense benefits shall provide equal
23 coverage to employers or guaranteed associations, as defined in
24 Section 10700, for the registered domestic partner of an employee,
25 insured, or policyholder to the same extent, and subject to the same
26 terms and conditions, as provided to a spouse of the employee,
27 insured, or policyholder, and shall inform employers and
28 guaranteed associations of this coverage. A policy may not offer
29 or provide coverage for a registered domestic partner that is not
30 equal to the coverage provided to the spouse of an employee,
31 insured, or policyholder.

32 (b) If an employer or guaranteed association has purchased
33 coverage for spouses and registered domestic partners pursuant to
34 subdivision (a), a health insurer that provides hospital, medical, or
35 surgical expense benefits for employees, insureds, or
36 policyholders and their spouses shall enroll, upon application by
37 the employer or group administrator, a registered domestic partner
38 of the employee, insured, or policyholder in accordance with the
39 terms and conditions of the group contract that apply generally to
40 all spouses under the policy, including coordination of 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 policy of group health insurance may require that the
5 employee, insured, or policyholder verify the status of the
6 domestic partnership by providing to the insurer a copy of a valid
7 Declaration of Domestic Partnership filed with the Secretary of
8 State pursuant to Section 298 of the Family Code or an equivalent
9 document issued by a local agency of this state, another state, or
10 a local agency of another state under which the partnership was
11 created. The policy may also require that the employee, insured,
12 or policyholder notify the insurer upon the termination of the
13 domestic partnership.

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

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

26 (f) A group health insurance policy subject to this section that
27 is issued, amended, delivered, or renewed in this state on or after
28 January 2, 2005, shall be deemed to provide coverage for
29 registered domestic partners that is equal to the coverage provided
30 to a spouse of an employee, insured, or policyholder.

31 SEC. 5. No reimbursement is required by this act pursuant to
32 Section 6 of Article XIII B of the California Constitution because
33 the only costs that may be incurred by a local agency or school
34 district will be incurred because this act creates a new crime or
35 infraction, eliminates a crime or infraction, or changes the penalty
36 for a crime or infraction, within the meaning of Section 17556 of
37 the Government Code, or changes the definition of a crime within



- 1 the meaning of Section 6 of Article XIII B of the California
- 2 Constitution.

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