

ASSEMBLY BILL

No. 1680

Introduced by Assembly Member Duvall

February 23, 2007

An act to amend Section 10384 of the Insurance Code, relating to health insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1680, as introduced, Duvall. Health insurance: postclaims underwriting.

Existing law provides for the regulation of health insurers by the Department of Insurance. Under existing law, no insurer issuing or providing any health insurance policy shall engage in the practice of postclaims underwriting, as defined.

This bill would modify the definition of postclaims underwriting.

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

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

- 1 SECTION 1. Section 10384 of the Insurance Code is amended
- 2 to read:
- 3 10384. No insurer issuing or providing any policy of ~~disability~~
- 4 ~~insurance covering hospital, medical, or surgical expenses~~ *health*
- 5 *insurance* shall engage in the practice of postclaims underwriting.
- 6 For purposes of this section, "postclaims underwriting" means the
- 7 rescinding, canceling, *terminating*, or limiting of a policy or
- 8 certificate due to the insurer's failure to complete medical
- 9 underwriting and resolve all reasonable questions arising from

- 1 written information submitted on or with an application before
- 2 issuing the policy or certificate.

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