

ASSEMBLY BILL

No. 2035

Introduced by Assembly Member Coto

February 17, 2010

An act to add Section 1759.11 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 2035, as introduced, Coto. Self-funded dental benefit plans: administrators.

Existing law provides for the regulation of insurers by the Department of Insurance. Existing law requires administrators who perform certain acts in connection with life or health insurance coverage or annuities to be registered with the Insurance Commissioner and to comply with certain other requirements.

This bill would require an administrator providing administrative services for a self-funded dental benefit plan to include certain language in explanation of benefits documents and in forms sent to claimants in response to claims for benefits.

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. The Legislature finds and declares that third-party
- 2 administrators of insurance are regulated by the Insurance
- 3 Commissioner. Therefore, the requirements of this act constitute
- 4 a regulation of insurance within the meaning of subparagraph (A)

1 of paragraph (2) of subdivision (b) of Section 1144 of Title 29 of
2 the United States Code.

3 SEC. 2. Section 1759.11 is added to the Insurance Code, to
4 read:

5 1759.11. (a) This section shall only apply to an administrator
6 who provides administrative services for a self-funded dental
7 benefit plan otherwise subject to the jurisdiction of the federal
8 government.

9 (b) The administrator shall include the following language or
10 similar language in explanation of benefits documents and in forms
11 sent to claimants response to claims for benefits:

12 “This dental benefit plan is self-funded and subject to compliance
13 with the federal Employee Retirement Income Security Act. As
14 such, it is not subject to state law governing health care coverage
15 for dental care. Any questions, appeals, or disputes arising from
16 the payment of a submitted claim should be directed to the entity
17 providing the coverage, or to the United States Department of
18 Labor, Office of Participant Assistance. You can contact the Office
19 of Participant Assistance at ____.”

20 (c) The administrator shall fill in the blank in the notice required
21 by subdivision (b) with the appropriate telephone number for the
22 Office of Participant Assistance.