

ASSEMBLY BILL

No. 1869

**Introduced by Assembly Member John A. Pérez
(Principal coauthor: Assembly Member Pan)**

February 22, 2012

An act to amend Section 136000 of the Health and Safety Code, relating to health care.

LEGISLATIVE COUNSEL'S DIGEST

AB 1869, as introduced, John A. Pérez. Office of Patient Advocate: federal veterans health benefits.

Existing law requires the Office of Patient Advocate to provide assistance to, and advocate on behalf of, individuals served by health care service plans regulated by the Department of Management Health Care, insureds covered by health insurers regulated by the Department of Insurance, and individuals who receive or are eligible for other health care coverage in California. Under existing law, commencing January 1, 2013, the office is required to provide, and assist in the provision of, outreach and education about health care coverage options, including information and assistance regarding public programs such as Medi-Cal, the Healthy Families Program, and Medicare.

This bill would require the Office of Patient Advocate, commencing January 1, 2013, to also provide, and assist in the provision of, outreach and education about federal veterans health benefits.

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

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

1 SECTION 1. Section 136000 of the Health and Safety Code
2 is amended to read:

3 136000. (a) (1) Effective July 1, 2012, there is hereby
4 transferred from the Department of Managed Health Care the
5 Office of Patient Advocate to be established within the California
6 Health and Human Services Agency, to provide assistance to, and
7 advocate on behalf of, individuals served by health care service
8 plans regulated by the Department of Managed Health Care,
9 insureds covered by health insurers regulated by the Department
10 of Insurance, and individuals who receive or are eligible for other
11 health care coverage in California, including coverage available
12 through the Medi-Cal program, the California Health Benefit
13 Exchange, the Healthy Families Program, or any other county or
14 state health care program. The goal of the office shall be to help
15 those individuals secure the health care services to which they are
16 entitled or for which they are eligible under the law.
17 Notwithstanding any provision of this division, each regulator and
18 health coverage program shall retain its respective authority,
19 including its authority to resolve complaints, grievances, and
20 appeals.

21 (2) The office shall be headed by a patient advocate appointed
22 by the Governor. The patient advocate shall serve at the pleasure
23 of the Governor.

24 (3) The provisions of this division affecting insureds covered
25 by health insurers regulated by the Department of Insurance and
26 individuals who receive or are eligible for coverage available
27 through the Medi-Cal program, the California Health Benefit
28 Exchange, the Healthy Families Program, or any other county or
29 state health care program shall commence on January 1, 2013,
30 except that for the period July 1, 2012, to January 1, 2013, the
31 office shall continue with any duties, responsibilities, or activities
32 of the office authorized as of July 1, 2011, *which* shall continue
33 to be authorized.

34 (b) (1) The duties of the office shall include, but not be limited
35 to, all of the following:

36 (A) Developing, in consultation with the Managed Risk Medical
37 Insurance Board, the State Department of Health Care Services,
38 the California Health Benefit Exchange, the Department of

1 Managed Health Care, and the Department of Insurance,
2 educational and informational guides for consumers describing
3 their rights and responsibilities, and informing them on effective
4 ways to exercise their rights to secure health care coverage. The
5 guides shall be easy to read and understand and shall be made
6 available in English and other threshold languages, using an
7 appropriate literacy level, and in a culturally competent manner.
8 The informational guides shall be made available to the public by
9 the office, including being made accessible on the office's Internet
10 Web site and through public outreach and educational programs.

11 (B) Compiling an annual publication, to be made available on
12 the office's Internet Web site, of a quality of care report card,
13 including, but not limited to, health care service plans.

14 (C) Rendering assistance to consumers regarding procedures,
15 rights, and responsibilities related to the filing of complaints,
16 grievances, and appeals, including appeals of coverage denials and
17 information about any external appeal process.

18 (D) Making referrals to the appropriate state agency regarding
19 studies, investigations, audits, or enforcement that may be
20 appropriate to protect the interests of consumers.

21 (E) Coordinating and working with other government and
22 nongovernment patient assistance programs and health care
23 ombudsperson programs.

24 (2) The office shall employ necessary staff. The office may
25 employ or contract with experts when necessary to carry out the
26 functions of the office. The patient advocate shall make an annual
27 budget request for the office which shall be identified in the annual
28 Budget Act.

29 (3) Until January 1, 2013, the office shall have access to records
30 of the Department of Managed Health Care, including, but not
31 limited to, information related to health care service plan or health
32 insurer audits, surveys, and enrollee or insured grievances.

33 (4) The patient advocate shall annually issue a public report on
34 the activities of the office, and shall appear before the appropriate
35 policy and fiscal committees of the Senate and Assembly, if
36 requested, to report and make recommendations on the activities
37 of the office.

38 (5) The office shall adopt standards for the organizations with
39 which it contracts pursuant to this section to ensure compliance
40 with the privacy and confidentiality laws of this state, including,

1 but not limited to, the Information Practices Act of 1977 (Chapter
2 1(commencing with Section 1798) of Division 3 of the Civil Code).
3 The office shall conduct privacy trainings as necessary, and
4 regularly verify that the organizations have measures in place to
5 ensure compliance with this provision.

6 (c) In enacting this act, the Legislature recognizes that, because
7 of the enactment of federal health care reform on March 23, 2010,
8 and the implementation of various provisions by January 1, 2014,
9 it is appropriate to transfer the Office of Patient Advocate and to
10 confer new responsibilities on the Office of Patient Advocate,
11 including assisting consumers in obtaining health care coverage
12 and obtaining health care through health coverage that is regulated
13 by multiple regulators, both state and federal. The new
14 responsibilities include assisting consumers in navigating both
15 public and private health care coverage and assisting consumers
16 in determining which regulator regulates the health care coverage
17 of a particular consumer. In order to assist in implementing federal
18 health care reform in California, commencing January 1, 2013,
19 the office, in addition to the duties set forth in subdivision (b),
20 shall also do all of the following:

21 (1) Receive and respond to all inquiries, complaints, and requests
22 for assistance from individuals concerning health care coverage
23 available in California.

24 (2) Provide, and assist in the provision of, outreach and
25 education about health care coverage options as set forth in
26 subparagraph (A) of paragraph (1) of subdivision (b), including,
27 but not limited to:

28 (A) Information regarding applying for coverage; the cost of
29 coverage; and renewal in, and transitions between, health coverage
30 programs.

31 (B) Information and assistance regarding public programs, such
32 as Medi-Cal, *the Healthy Families Program*, *federal veterans*
33 *health benefits*, and Medicare; *and* private coverage, including
34 employer-sponsored coverage, Exchange coverage;; and other
35 sources of care if the consumer is not eligible for coverage, such
36 as county services, community clinics, discounted hospital care,
37 or charity care.

38 (3) Coordinate with other state and federal agencies engaged in
39 outreach and education regarding the implementation of federal
40 health care reform.

1 (4) Render assistance to, and advocate on behalf of, consumers
2 with problems related to health care services, including care and
3 service problems and claims or payment problems.

4 (5) Refer consumers to the appropriate regulator of their health
5 coverage programs for filing complaints, grievances, or claims, or
6 for payment problems.

7 (d) (1) Commencing January 1, 2013, the office shall track and
8 analyze data on problems and complaints by, and questions from,
9 consumers about health care coverage for the purpose of providing
10 public information about problems faced and information needed
11 by consumers in obtaining coverage and care. The data collected
12 shall include demographic data, source of coverage, regulator, and
13 resolution of complaints, including timeliness of resolution.

14 (2) The Department of Managed Health Care, the Department
15 of Health Care Services, the Department of Insurance, the Managed
16 Risk Medical Insurance Board, the California Health Benefit
17 Exchange, and other public coverage programs shall provide to
18 the office data in the aggregate concerning consumer complaints
19 and grievances. For the purpose of publicly reporting information
20 about the problems faced by consumers in obtaining care and
21 coverage, the office shall analyze data on consumer complaints
22 and grievances resolved by these agencies, including demographic
23 data, source of coverage, insurer or plan, resolution of complaints
24 and other information intended to improve health care and coverage
25 for consumers. The office shall develop and provide comprehensive
26 and timely data and analysis based on the information provided
27 by other agencies.

28 (3) The office shall collect and report data to the United States
29 Secretary of Health and Human Services on complaints and
30 consumer assistance as required to comply with requirements of
31 the federal Patient Protection and Affordable Care Act (Public
32 Law 111-148).

33 (e) Commencing in January 1, 2013, in order to assist consumers
34 in understanding the impact of federal health care reform as well
35 as navigating and resolving questions and problems with health
36 care coverage and programs, the office shall ensure that either the
37 office or a state agency contracting with the office shall do the
38 following:

39 (1) Operate a toll-free telephone hotline number that can route
40 callers to the proper regulating body or public program for their

1 question, their health plan, or the consumer assistance program in
2 their area.

3 (2) Operate a Internet Web site, other social media, and
4 up-to-date communication systems to give information regarding
5 the consumer assistance programs.

6 (f) (1) The office may contract with community-based consumer
7 assistance organizations to assist in any or all of the duties of
8 subdivision (c) in accordance with Section 19130 of the
9 Government Code or provide grants to community-based consumer
10 assistance organizations for portions of these purposes.

11 (2) Commencing on January 1, 2013, any local
12 community-based nonprofit consumer assistance program with
13 which the office contracts shall include in its mission the assistance
14 of, and duty to, health care consumers. Contracting consumer
15 assistance programs shall have experience in the following areas:

16 (A) Assisting consumers in navigating the local health care
17 system.

18 (B) Advising consumers regarding their health care coverage
19 options and helping consumers enroll in and retain health care
20 coverage.

21 (C) Assisting consumers with problems in accessing health care
22 services.

23 (D) Serving consumers with special needs, including, but not
24 limited to, consumers with limited-English language proficiency,
25 consumers requiring culturally competent services, low-income
26 consumers, consumers with disabilities, consumers with low
27 literacy rates, and consumers with multiple health conditions,
28 including behavioral health.

29 (E) Collecting and reporting data, including demographic data,
30 source of coverage, regulator, and resolution of complaints,
31 including timeliness of resolution.

32 (3) Commencing on January 1, 2013, the office shall develop
33 protocols, procedures, and training modules for organizations with
34 which it contracts.

35 (4) Commencing on January 1, 2013, the office shall adopt
36 standards for organizations with which it contracts regarding
37 confidentiality and conduct.

38 (5) Commencing on January 1, 2013, the office may contract
39 with consumer assistance programs to develop a series of
40 appropriate literacy level and culturally and linguistically

1 appropriate educational materials in all threshold languages for
2 consumers regarding health care coverage options and how to
3 resolve problems.

4 (g) (1) Commencing on January 1, 2013, the office shall
5 develop protocols and procedures for assisting in the resolution of
6 consumer complaints, including both of the following:

7 (1) A procedure for referral of complaints and grievances to the
8 appropriate regulator or health coverage program for resolution
9 by the relevant regulator or public program.

10 (2) A protocol or procedure for reporting to the appropriate
11 regulator and health coverage program regarding complaints and
12 grievances relevant to that agency that the office received and was
13 able to resolve without further action or referral.

14 (h) For purposes of this section, the following definitions shall
15 apply:

16 (1) “Consumer” or “individual” includes the individual or his
17 or her parent, guardian, conservator, or authorized representative.

18 (2) “Exchange” means the California Health Benefit Exchange
19 established pursuant to Title 22 (commencing with Section 100500)
20 of the Government Code.

21 (3) “Health care” includes behavioral health, including both
22 mental health and substance abuse treatment.

23 (4) “Health care service plan” has the same meaning as that set
24 forth in subdivision (f) of Section 1345. Health care service plan
25 includes “specialized health care service plans,” including
26 behavioral health plans.

27 (5) “Health coverage program” includes the Medi-Cal program,
28 Healthy Families Program, tax subsidies and premium credits
29 under the Exchange, the Basic Health Program, if enacted, county
30 health coverage programs, and the Access for Infants and Mothers
31 Program.

32 (6) “Health insurance” has the same meaning as set forth in
33 Section 106 of the Insurance Code.

34 (7) “Health insurer” means an insurer that issues policies of
35 health insurance.

36 (8) “Office” means the Office of Patient Advocate.

37 (9) “Threshold languages” shall have the same meaning as for
38 Medi-Cal managed care.

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