

Introduced by Senator Hernandez

February 22, 2012

An act to amend Section 1381 of the Health and Safety Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 1196, as introduced, Hernandez. Health care service plans: inspection of records.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensing and regulation of health care service plans by the Department of Managed Health Care. Under existing law, the records, books, and papers of a health care service plan, and of any provider or subcontractor providing health care services, must be open for inspection, as specified, by the Director of the Department of Managed Health Care.

This bill would make technical, nonsubstantive changes to these provisions.

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 1381 of the Health and Safety Code is
- 2 amended to read:
- 3 1381. (a) All records, books, and papers of a *health care*
- 4 *service* plan, management company, solicitor, solicitor firm, and
- 5 any provider or subcontractor providing health care or other
- 6 services to a *health care service* plan, management company,

1 solicitor, or solicitor firm shall be open to inspection during normal
2 business hours by the director.

3 (b) To the extent feasible, all ~~such~~ records, books, and papers
4 described in subdivision (a) shall be located in this state. In
5 examining ~~such~~ records outside this state, the director shall consider
6 the cost to the *health care service* plan, consistent with the
7 effectiveness of the director's examination, and may upon
8 reasonable notice require that ~~such~~ *the* records, books and papers,
9 or a specified portion thereof, be made available for examination
10 in this state, or that a true and accurate copy of ~~such~~ *the* records,
11 books and papers, or a specified portion thereof, be furnished to
12 the director.