

ASSEMBLY BILL

No. 1829

Introduced by Assembly Member Conway

February 18, 2014

An act to add Section 100522 to the Government Code, relating to health care coverage, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1829, as introduced, Conway. California Health Benefit Exchange: employees and contractors.

The federal Patient Protection and Affordable Care Act requires each state to establish an American Health Benefits Exchange that makes available qualified health plans to qualified individuals and small employers. Existing state law establishes the California Health Benefit Exchange (Exchange) within state government, specifies the powers and duties of the board governing the Exchange, and requires the board to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and small employers by January 1, 2014. Existing law requires the board to employ necessary staff and authorizes the board to enter into contracts. Existing law requires the board to submit to the Department of Justice fingerprint images and related information of specified individuals whose duties include or would include access to specified information for the purposes of obtaining prescribed criminal history information.

The bill would prohibit the board from hiring or contracting with a person, including an employee or prospective employee, who has been convicted of specified crimes if the person's duties would involve facilitating enrollment in qualified health plans or would give the person

access to the financial or medical information of enrollees or potential enrollees of the Exchange. The bill would also require a person who has filed an application for employment with the Exchange to notify the Exchange of any prescribed misdemeanor or felony convictions, filing of misdemeanor or felony charges, or administrative actions that occur after submitting his or her application.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The mission of the California Health Benefit Exchange
- 4 (Exchange) is to increase the number of insured Californians.
- 5 (b) According to the Exchange, the Assisters Program is
- 6 designed to target populations in California’s vast, geographically
- 7 diverse mix of rural and urban communities, estimated at 4,000,000
- 8 eligible individuals: 100,000 in northern California and Sierra
- 9 counties, 130,000 in the Sacramento area, 390,000 in the greater
- 10 bay area, 250,000 in the San Joaquin Valley, 140,000 in the central
- 11 coast, 780,000 in Los Angeles, and another 750,000 in southern
- 12 California.
- 13 (c) According to the Exchange, the Assisters Program is
- 14 designed to target populations within the estimated 4,000,000
- 15 eligible individuals that are ethnically diverse: 1,880,000 estimated
- 16 to be Hispanic, 1,340,000 Caucasian, 470,000 Asian, and 210,000
- 17 African American.
- 18 (d) According to the Exchange, the Assisters Program will
- 19 conduct outreach, education, marketing, and enrollment for the
- 20 Exchange to reach the estimated 4,000,000 eligible individuals.
- 21 (e) The Assisters Program is expected to promote maximum
- 22 enrollment of individuals into coverage and ensure that assisters
- 23 are knowledgeable of both subsidized and nonsubsidized health
- 24 care coverage and qualified health plans and are equipped with
- 25 the information and expertise needed to successfully enroll
- 26 individuals into coverage.

1 (f) The Exchange will use individual assisters, in-person
2 assisters, and navigators in the Assisters Program to accomplish
3 these goals.

4 (g) Individual assisters, in-person assisters, and navigators will,
5 necessarily, have access to eligible individuals' personal identifying
6 information, including social security numbers, personal health
7 information, and state and federal tax information, to enroll over
8 4,000,000 Californians in health insurance programs.

9 (h) Agents and brokers, health insurers, and other entities that
10 currently handle applications for health care coverage and the
11 applicant's sensitive, personal information are required to be
12 licensed by the Department of Insurance.

13 (i) The Department of Insurance, by law, is authorized to require
14 applicants for licensure to pass background checks, including
15 fingerprinting, as a condition of licensure.

16 (j) It is in the public's interest that eligible individuals
17 purchasing health care coverage through the services of an
18 individual assister, in-person assister, or navigator have the same
19 reasonable expectation of privacy protections afforded to
20 Californians purchasing health care coverage through a private
21 agent or broker.

22 (k) It is the intent of the Legislature to advance the public's
23 interest in protecting and safeguarding eligible individuals from
24 the unauthorized and illegal access to, or disclosure of, their
25 personal identifying information, personal health information, or
26 federal tax information when the Exchange enrolls customers into
27 health care plans for coverage.

28 SEC. 2. Section 100522 is added to the Government Code,
29 immediately following Section 100521, to read:

30 100522. (a) The board shall not hire or contract with any
31 person, including, but not limited to, all employees, prospective
32 employees, contractors, subcontractors, volunteers, or vendors,
33 whose duties would include facilitating enrollment in qualified
34 health plans offered through the Exchange or would give the person
35 access to the financial or medical information of enrollees or
36 potential enrollees of the Exchange if the person has been convicted
37 of any of the following:

38 (1) A felony crime of dishonesty or breach of trust in a state or
39 federal jurisdiction.

1 (2) A violation of Section 1033 of Title 18 of the United States
2 Code.

3 (3) A crime included in Section 2183.2 of Title 10 of the
4 California Code of Regulations.

5 (b) A person who has applied for employment with the Exchange
6 for a position where, in the course and scope of his or her
7 employment, he or she will have access to the financial or medical
8 information of enrollees or potential enrollees of the Exchange
9 shall immediately notify the Exchange upon any misdemeanor or
10 felony conviction, any filing of misdemeanor or felony charges in
11 state or federal court, any administrative action regarding a
12 professional or occupational license, or any conviction listed in
13 subdivision (a), if the action occurs after an application has been
14 submitted.

15 SEC. 3. This act is an urgency statute necessary for the
16 immediate preservation of the public peace, health, or safety within
17 the meaning of Article IV of the Constitution and shall go into
18 immediate effect. The facts constituting the necessity are:

19 In order to protect and safeguard customers enrolling in qualified
20 health plans offered through the California Health Benefit
21 Exchange from the unauthorized and illegal access to, or disclosure
22 of, their personal identifying information, personal health
23 information, or federal tax information at the earliest possible date,
24 it is necessary that this act take effect immediately.