AMENDED IN ASSEMBLY MARCH 29, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL No. 714

Introduced by Assembly Member Atkins

February 17, 2011

An act to amend Section 127420 of, and to add ~~Section 104164~~ *Sections 104164, 120971.5, and 120971.6* to, the Health and Safety Code, to add Sections ~~12693.77,~~ *12693.78, 12693.79,* 12698.45, 12734, and 12739.615 to the Insurance Code, and to add Sections 14029.9 and 14105.182 to the Welfare and Institutions Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 714, as amended, Atkins. Health care coverage: California Health Benefit Exchange.

Existing law, the federal Patient Protection and Affordable Care Act, requires each state to, by January 1, 2014, establish an American Health Benefit Exchange that makes available qualified health plans to qualified individuals and employers. Existing state law establishes the California Health Benefit Exchange within state government, specifies the powers and duties of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, 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 establishes a program for the treatment of breast and cervical cancer, administered by the State Department of Health Care Services. Existing law provides specified health care coverage to eligible individuals under the Healthy Families Program, the Access for Infants

and Mothers Program, the California Major Risk Medical Insurance Program, and the Federal Temporary High Risk Pool, which are administered by the Managed Risk Medical Insurance Board. Existing law provides specified health care coverage to eligible individuals under the Medi-Cal program and the Family PACT program, which are administered by the State Department of Health Care Services. *Existing law provides specified health care coverage to specified individuals under the AIDS Drug Assistance Program (ADAP) and the federal Ryan White HIV/AIDS Treatment Extension Act of 2009.* Existing law provides for the regulation and licensure of hospital facilities by the State Department of Public Health.

This bill would, until June 30, 2013, require the State Department of Health Care Services and the Managed Risk Medical Insurance Board to disclose information on health care coverage through the California Health Benefit Exchange to every individual who has ceased to be enrolled under the programs described above except that, with respect to the breast and cervical cancer treatment program ~~and~~, the Family PACT program, *and the programs for treatment of HIV/AIDS,* the disclosure would be made to each enrollee. On and after January 1, 2013, the bill would require the department and the board to provide to the Medi-Cal program and to the California Health Benefit Exchange information on every individual who has ceased to be enrolled under those programs, *program, and the programs for treatment of HIV/AIDS,* except the cancer treatment ~~and~~ Family PACT ~~programs,~~ *and the programs for treatment of HIV/AIDS* for purposes of enrolling those individuals in the Exchange and to disclose that enrollment to those individuals. The bill would require an entity providing services or treatment under the ~~programs relating to~~ cancer treatment ~~and~~ *program*, the Family PACT program, *and the programs for treatment of HIV/AIDS,* to provide certain information regarding each enrollee to the department, as specified, and would require the department to provide that information to the Exchange and to the Medi-Cal program. The bill would require certain hospitals, when billing, to include additional disclosures regarding health care coverage through the Exchange. The bill would allow an individual to opt out of that coverage in writing to the Exchange.

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

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

SECTION 1. Section 104164 is added to the Health and Safety Code, to read:

104164. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual receiving services or treatment for cancer under this chapter shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual receiving services or treatment under this chapter shall be provided the following notice:

"Because you are enrolled in a cancer screening or treatment program, an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health Benefit Exchange and your charges will be based on your current income. If your income is low, you may qualify for no-cost coverage through Medi-Cal. For more information, check www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, every entity providing services or treatment under this chapter shall provide to the department the name, address, and other information of each enrollee as required by the department. The department shall provide the information to the Exchange and to the Medi-Cal program so that eligibility may be determined and enrollment completed.

(2) The information to the Exchange shall constitute an application for enrollment in coverage within the meaning of Section 100503 of the Government Code.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

SEC. 2. Section 120971.5 is added to the Health and Safety Code, to read:

120971.5. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual receiving care or services under the AIDS Drug Assistance Program (ADAP), as provided in Section 120950 shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual receiving care or services under (ADAP) as provided in Section 120950 shall be provided the following notice:

"Because you are enrolled in the California ADAP program, an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health Benefit Exchange and your charges will be based on your current income. If your income is low, you may qualify for no-cost coverage through Medi-Cal. For more information, check www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, every entity providing services or treatment under (ADAP) as provided in Section 120950 shall provide to the department the name, address, and other information

of each enrollee as required by the department. The department shall provide the information to the Exchange and to the Medi-Cal program so that eligibility may be determined and enrollment completed.

(2) The information provided to the Exchange shall constitute an application for enrollment in coverage within the meaning of Section 100503 of the Government Code.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

SEC. 3. Section 120971.6 is added to the Health and Safety Code, to read:

120971.6. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual receiving care or services under the federal Ryan White HIV/AIDS Treatment Extension Act of 2009 (Public Law 111-187) shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual receiving care or services under the federal Ryan White HIV/AIDS Treatment Extension Act of 2009 (Public Law 111-187) shall be provided the following notice:

"Because you are enrolled in the Ryan White program, an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health Benefit Exchange and your charges will be based on your current income. If your income is low, you may qualify for no-cost coverage through Medi-Cal. For more information, check

www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, every entity providing services or treatment under the federal Ryan White HIV/AIDS Treatment Extension Act of 2009 (Public Law 111-187) shall provide to the department the name, address, and other information of each enrollee as required by the department. The department shall provide the information to the Exchange and to the Medi-Cal program so that eligibility may be determined and enrollment completed.

(2) The information provided to the Exchange shall constitute an application for enrollment in coverage within the meaning of Section 100503 of the Government Code.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

~~SEC. 2.~~

SEC. 4. Section 127420 of the Health and Safety Code is amended to read:

127420. (a) Each hospital shall make all reasonable efforts to obtain from the patient or his or her representative information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered by the hospital to a patient, including, but not limited to, any of the following:

(1) Private health insurance.

(2) Medicare.

(3) The Medi-Cal program, the Healthy Families Program, the California Childrens' Services Program, or other state-funded programs designed to provide health coverage.

(b) If a hospital bills a patient who has not provided proof of coverage by a third party at the time the care is provided or upon discharge, as a part of that billing, the hospital shall provide the patient with a clear and conspicuous notice that includes all of the following:

(1) A statement of charges for services rendered by the hospital.

(2) A request that the patient inform the hospital if the patient has health insurance coverage, Medicare, Healthy Families, Medi-Cal, or other coverage.

(3) A statement that if the consumer does not have health insurance coverage, the consumer may be eligible for Medicare, Healthy Families, Medi-Cal, California Childrens' Services Program, or charity care. Effective January 1, 2013, the statement shall include information about the availability of coverage through the California Health Benefit Exchange and that such coverage shall be available effective January 1, 2014.

(4) (A) A statement indicating how patients may obtain applications for the Medi-Cal program and the Healthy Families Program and that the hospital will provide these applications. Effective January 1, 2013, the statement shall include information about the availability of coverage through the California Health Benefit Exchange and that such coverage shall be available effective January 1, 2014. If the patient does not indicate coverage by a third-party payer specified in subdivision (a), or requests a discounted price or charity care then the hospital shall provide an application for the Medi-Cal program, the Healthy Families Program or other governmental program to the patient. This application shall be provided prior to discharge if the patient has been admitted or to patients receiving emergency or outpatient care.

(B) Effective January 1, 2014, the California Health Benefit Exchange shall be included as a government program under this section, including for purposes of the notice and application requirements under this subdivision.

(5) Information regarding the financially qualified patient and charity care application, including the following:

(A) A statement that indicates that if the patient lacks, or has inadequate, insurance, and meets certain low- and moderate-income requirements, the patient may qualify for discounted payment or charity care.

(B) The name and telephone number of a hospital employee or office from whom or which the patient may obtain information about the hospital's discount payment and charity care policies, and how to apply for that assistance.

~~SEC. 3.~~

SEC. 5. Section ~~12693.77~~ *12693.78* is added to the Insurance Code, to read:

~~12693.77.~~

12693.78. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual who ceases to be enrolled in the program shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual who ceases to be enrolled in the program shall be provided the following notice:

"Because you are no longer enrolled in the Healthy Families Program, an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health Benefit Exchange and your charges will be based on your current income. If your income is low, you may qualify for no-cost coverage through Medi-Cal. For more information, check www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, the board shall provide the name, address, and other information regarding those individuals who have ceased to be enrolled in the program to the Exchange and to the Medi-Cal program so that eligibility may be determined and enrollment completed.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

SEC. 6. Section 12693.79 is added to the Insurance Code, to read:

12693.79. Effective January 1, 2012, every individual enrolled in the Healthy Families program shall be provided the following notice:

"Effective January 1, 2014, if your parents or other family members do not have health care coverage that costs less than 10% of your income, your parents or other family members may be eligible for reduced cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

~~SEC. 4.~~

SEC. 7. Section 12698.45 is added to the Insurance Code, to read:

12698.45. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual who ceases to be enrolled in the program shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual who ceases to be enrolled in the program shall be provided the following notice:

"Because you are no longer enrolled in AIM (Access for Infants and Mothers Program), an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health Benefit Exchange and your charges will be based on your current income. If your income is low, you may qualify for no-cost coverage through Medi-Cal. For more

information, check www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, the board shall provide the name, address, and other information regarding those individuals who have ceased to be enrolled in the program to the Exchange and to the Medi-Cal program so that eligibility may be determined and enrollment completed.

(2) The information provided to the Exchange shall constitute an application for enrollment in coverage within the meaning of Section 100503 of the Government Code.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

~~SEC. 5.~~

SEC. 8. Section 12734 is added to the Insurance Code, to read:

12734. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual who ceases to be enrolled in the program shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual who ceases to be enrolled in the program shall be provided the following notice:

"Because you are no longer enrolled in the California Major Risk Medical Insurance Program, an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health Benefit Exchange and your charges will be based on your current income. If your income is low, you may qualify for no-cost coverage through Medi-Cal. For

more information, check www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, the board shall provide the name, address, and other information regarding those individuals who have ceased to be enrolled in the program to the Exchange and to the Medi-Cal program so that eligibility may be determined and enrollment completed.

(2) The information provided to the Exchange shall constitute an application for enrollment in coverage within the meaning of Section 100503 of the Government Code.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

~~SEC. 6.~~

SEC. 9. Section 12739.615 is added to the Insurance Code, to read:

12739.615. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual who ceases to be enrolled in the program shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual who ceases to be enrolled in the program shall be provided the following notice:

"Because you are no longer enrolled in the Federal Temporary High Risk Pool, an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health Benefit Exchange and your charges will be based on your current income. If your income is low, you may

qualify for no-cost coverage through Medi-Cal. For more information, check www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, the board shall provide the name, address, and other information regarding those individuals who have ceased to be enrolled in the program to the Exchange and to the Medi-Cal program so that eligibility may be determined and enrollment completed.

(2) The information provided to the Exchange shall constitute an application for enrollment in coverage within the meaning of Section 100503 of the Government Code.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

~~SEC. 7.~~

SEC. 10. Section 14029.9 is added to the Welfare and Institutions Code, to read:

14029.9. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual who ceases to be enrolled in the Medi-Cal program shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual who ceases to be enrolled in the Medi-Cal program shall be provided the following notice:

"Because you are no longer enrolled in Medi-Cal, an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health

Benefit Exchange and your charges will be based on your current income. If your income is low, you may qualify for no-cost coverage through Medi-Cal. For more information, check www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, the department shall provide the name, address, and other information regarding those individuals who have ceased to be enrolled in the Medi-Cal program to the Exchange so that eligibility may be determined and enrollment completed.

(2) The information provided to the Exchange shall constitute an application for enrollment in coverage within the meaning of Section 100503 of the Government Code.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

~~SEC. 8.~~

SEC. 11. Section 14105.182 is added to the Welfare and Institutions Code, to read:

14105.182. (a) Effective January 1, 2012, to June 30, 2013, inclusive, every individual receiving care or services under the Family PACT program as provided in subdivision (aa) of Section 14132 shall be provided the following notice:

"Effective January 1, 2014, you may be eligible for reduced-cost, comprehensive health care coverage through the California Health Benefit Exchange. If your income is low, you may be eligible for no-cost coverage through Medi-Cal. For more information, please visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(b) Effective July 1, 2013, every individual receiving care or services under the Family PACT program as provided in subdivision (aa) of Section 14132 shall be provided the following notice:

"Because you are enrolled in the Family PACT program, an application for health care coverage through the California Health Benefit Exchange will be made for you. Coverage will not be

effective until January 1, 2014. You are not required to accept coverage from the Exchange. Your payment for coverage will be based on your income last year. If you make significantly less or more this year than you made last year, please tell the California Health Benefit Exchange and your charges will be based on your current income. If your income is low, you may qualify for no-cost coverage through Medi-Cal. For more information, check www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone number)."

(c) (1) Effective January 1, 2013, every entity providing services or treatment under the program as provided in subdivision (aa) of Section 14132 shall provide to the department the name, address, and other information of each enrollee as required by the department. The department shall provide the information to the Exchange and to the Medi-Cal program so that eligibility may be determined and enrollment completed.

(2) The information provided to the Exchange shall constitute an application for enrollment in coverage within the meaning of Section 100503 of the Government Code.

(d) The individual shall have the opportunity to decline health care coverage pursuant to this section by notifying the Exchange in writing.

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