

**ASSEMBLY BILL**

**No. 1586**

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**Introduced by Assembly Member Garrick**

February 6, 2012

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An act to amend Section 1389.1 of the Health and Safety Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 1586, as introduced, Garrick. Health care service plans: contract requirements.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. A willful violation of the act is a crime. Existing law prohibits the director of the department from approving any plan contract unless he or she finds the application conforms to specified requirements.

This bill would make a technical, nonsubstantive change 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 1389.1 of the Health and Safety Code is
- 2 amended to read:
- 3 1389.1. (a) The director shall not approve any plan contract
- 4 unless ~~the director~~ *he or she* finds that the application conforms
- 5 to both of the following requirements:

1 (1) All applications for coverage which include health-related  
2 questions shall contain clear and unambiguous questions designed  
3 to ascertain the health condition or history of the applicant.

4 (2) The application questions related to an applicant’s health  
5 shall be based on medical information that is reasonable and  
6 necessary for medical underwriting purposes. The application shall  
7 include a prominently displayed notice that shall read:

8 “California law prohibits an HIV test from being required or  
9 used by health care service plans as a condition of obtaining  
10 coverage.”

11 (b) Nothing in this section shall authorize the director to  
12 establish or require a single or standard application form for  
13 application questions.