

New Benefit Mandates Will Drive Up Health Care Costs for All

As providers of health care coverage for more than 26 million Californians, health plans are dedicated to ensuring that everyone has access to high quality, affordable health care. This year, California’s Legislature is considering nine new benefit mandate bills that, as proposed, would altogether drive up health care premiums by more than \$833 million

annually. These new mandates would be paid by employers, consumers, and the state through higher health care premiums. **It seems contradictory to propose a slew of bills that will substantially increase the cost of health plan premiums during a time when lawmakers, health plans and many others are working to make health care more affordable.**



The California Health Benefits Review Program (CHBRP) at the University of California estimates that the following bills could cumulatively raise health plan premiums in the employer, individual, and Medi-Cal markets, some by hundreds of millions of dollars:

AB 767 (Wicks)

As initially proposed, would increase by **\$537 million** total health insurance premiums paid by employers and enrollees for coverage of infertility treatments, including in vitro fertilization. *(The author has since amended the bill and the revised CHBRP analysis is pending release).*

AB 744 (Aguiar-Curry)

Will drive up annual health care premiums by nearly **\$230 million** and cost an additional **\$49 million** in out-of-pocket costs for enrollees for telehealth services.

AB 598 (Bloom)

\$13.8 million increase in total premiums and **\$2.4 million** increase in enrollee out-of-pocket costs for coverage mandates for hearing aids.

SB 11 (Beall)

Total premium increase of **\$31.8 million** for coverage of prescription medications for treatment of substance use disorders.

SB 163 (Portantino)

\$3.9 million increase in total premiums for expansion of the state’s existing behavioral health coverage requirement.

SB 600 (Portantino)

\$8.2 million increase in total premiums and **\$3.2 million** in enrollee out-of-pocket costs for fertility preservation services.

AB 1676 (Maienschein)

An increase in administrative costs and potentially an “unknown” amount of cost increases for telehealth services for mental health.

SB 583 (Jackson)

\$8.2 million increase in total premiums for coverage of health care services related to participation in clinical trials.

SB 746 (Bates)

\$717,000 increase in total premiums for coverage of “anticancer” medical devices.

Altogether, these mandate bills as proposed would add up to more than \$833 million in increased annual health plan premiums. *These bills come at a time when THREE OUT OF FOUR Americans in a recent poll say they would prefer the government focus on making health care more affordable.**

We urge legislators to consider the cumulative impacts that all of these mandates may have on the affordability of health care for all Californians.