

Assembly Bill No. 1309

CHAPTER 828

An act to add Section 1399.848 to the Health and Safety Code, and to add Section 10965.4 to the Insurance Code, relating to health care coverage.

[Approved by Governor October 12, 2019. Filed with Secretary of State October 12, 2019.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1309, Bauer-Kahan. Health care coverage: enrollment periods.

Existing federal law, the Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. PPACA requires an American Health Benefit Exchange to provide for an annual open enrollment period for the individual market for policy years beginning on or after January 1, 2018, to begin on November 1 and extend through December 15 of the calendar year preceding the benefit year. Existing federal law establishes special enrollment periods during which a qualified individual may enroll in a qualified health plan when specified triggering events occur, such as when the qualified individual loses minimum essential coverage, as defined. Existing federal regulatory authority authorizes a state to establish additional special enrollment periods to supplement these special enrollment periods provided for under federal law under certain circumstances.

Existing state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. 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, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan and a health insurer, for policy years beginning on or after January 1, 2019, to provide a special enrollment period to allow individuals to enroll in individual health benefit plans through the Exchange from October 15 to October 31 of the preceding calendar year, inclusive, and from December 16 of the preceding calendar year, to January 15 of the benefit year, inclusive. Existing law requires, with respect to individual health benefit plans offered outside of the Exchange, that the annual open enrollment period for policy years beginning on or after January 1, 2019, extend from October 15 of the preceding calendar year, to January 15 of the benefit year, inclusive. Existing law specifies the effective coverage

dates for individual health benefit plans selected during special enrollment periods.

This bill would additionally require a health care service plan and a health insurer, for policy years beginning on or after January 1, 2020, to provide a special enrollment period to allow individuals to enroll in individual health benefit plans through the Exchange from December 16 of the preceding calendar year, to January 31 of the benefit year, inclusive. The bill would also additionally require, with respect to individual health benefit plans offered outside of the Exchange, that the annual open enrollment period for policy years beginning on or after January 1, 2020, extend from November 1 of the preceding calendar year, to January 31 of the benefit year, inclusive. This bill would specify February 1 as the effective date of coverage for enrollment in an individual health benefit plan that occurs from December 16 to January 31, inclusive.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

SECTION 1. Section 1399.848 is added to the Health and Safety Code, to read:

1399.848. (a) Notwithstanding paragraph (1) of subdivision (c) of Section 1399.849, with respect to individual health benefit plans offered outside of the Exchange, a plan shall provide an annual enrollment period for policy years beginning on or after January 1, 2020, from November 1 of the preceding calendar year, to January 31 of the benefit year, inclusive.

(b) Notwithstanding paragraph (3) of subdivision (c) of Section 1399.849, with respect to individual health benefit plans offered through the Exchange, for policy years beginning on or after January 1, 2020, a plan shall provide a special enrollment period for all individuals selecting an individual health benefit plan through the Exchange from December 16 of the preceding calendar year, to January 31 of the benefit year, inclusive. An application for a health benefit plan submitted during this special enrollment period shall be treated the same as an application submitted during the annual open enrollment period.

(c) The effective date of coverage for plan selection made from December 16 to January 31, inclusive, shall be February 1 of the benefit year for individual health benefit plans offered outside and through the Exchange.

SEC. 2. Section 10965.4 is added to the Insurance Code, to read:

10965.4. (a) Notwithstanding paragraph (1) of subdivision (c) of Section 10965.3, with respect to individual health benefit plans offered outside of the Exchange, a health insurer shall provide an annual enrollment period

for policy years beginning on or after January 1, 2020, from November 1 of the preceding calendar year, to January 31 of the benefit year, inclusive.

(b) Notwithstanding paragraph (3) of subdivision (c) of Section 10965.3, with respect to individual health benefit plans offered through the Exchange, for policy years beginning on or after January 1, 2020, a health insurer shall provide a special enrollment period for all individuals selecting an individual health benefit plan through the Exchange from December 16 of the preceding calendar year, to January 31 of the benefit year, inclusive. An application for a health benefit plan submitted during this special enrollment period shall be treated the same as an application submitted during the annual open enrollment period.

(c) The effective date of coverage for plan selection made from December 16 to January 31, inclusive, shall be February 1 of the benefit year for individual health benefit plans offered outside and through the Exchange.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.