

# New Mandates Would Drive Up Premium Costs By \$1.5 Billion



California Association of  
**Health Plans**

California's health plans cover more than 26 million people and are dedicated to ensuring that everyone has access to high quality, affordable health care services. In 2022, California lawmakers are considering many new mandate bills that, as proposed, would altogether **drive up premiums by \$1.5 billion.**

As legislators continue to mandate more and more services, premiums go up for everyone, whether they use those services or not.

According to analyses by the California Health Benefits Review Program (CHBRP) at the University of California, **the following bills are estimated to cumulatively raise health plan premiums by \$1.5 billion dollars:**



<p><b>AB 2029</b> <i>(Wicks)</i></p>	<p><b>AB 2024</b> <i>(Friedman)</i></p>	<p><b>AB 2516</b> <i>(Aguilar-Curry)</i></p>	
<p>As initially proposed, would mandate commercial health plans to provide coverage for in-vitro fertility services and raise premiums by <b>\$957.4 million.</b></p>	<p>would prohibit high-deductible health plans from imposing any form of cost-sharing for mammography screenings or medically necessary diagnostic/supplemental breast examinations, driving up premiums by <b>\$115.2 million.</b></p>	<p>would require "grandfathered" ACA health plans to cover HPV vaccines for the 0.4% of enrollees not currently covered and eliminate enrollee cost-sharing for the vaccine, which would raise premiums by <b>\$3.97 million.</b></p>	
<p><b>SB 853</b> <i>(Weiner)</i></p>	<p><b>SB 974</b> <i>(Portantino)</i></p>	<p><b>SB 1337</b> <i>(McGuire):</i></p>	<p><b>SB 1361</b> <i>(Kamlager):</i></p>
<p>would require health plans to cover prescription drugs during critical utilization review and appeals processes of these drugs. This would prevent health plans from limiting costs associated with high cost specialty drugs and potentially threaten patient safety, while raising premiums by <b>\$74.2 million.</b></p>	<p>would prohibit health plans from imposing any form of cost-sharing for in-network mammography screenings or medically necessary diagnostic/supplemental breast examinations, driving up premiums by <b>\$115.2 million.</b></p>	<p>would require coverage for coordinated specialty care services for the treatment of first-episode psychosis and raise premiums by more than <b>\$73 million.</b></p>	<p>this pharma-backed bill would require health plans to forfeit the savings achieved through prescription drug manufacturer rebates, which would drive up premiums by <b>\$200.5 million.</b> The bill is designed to prioritize expensive brand name drugs over generics.</p>

**Cumulatively, these mandate bills as proposed would add up to \$1.5 billion in increased annual health care premiums.**

New mandates raise the cost of health care for everyone — yet the mandates themselves might only benefit a relatively small number of people. New mandates are approved by the state legislature each year and continuously add to the heap of costs that altogether have reached multi-billions of dollars in increased premium costs for health plan enrollees.

**CAHP urges legislators to always look at the bigger picture by cumulatively reviewing the costs of proposed mandates and to consider the impact they will have on the affordability of health care for all Californians.**