

Date of Hearing: August 3, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

SB 225 (Wiener) – As Amended June 30, 2022

Policy Committee: Health

Vote: 12 - 0

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

**SUMMARY:**

This bill requires a health care service plan (health plan) to arrange for the provision of covered, medically necessary services from providers outside the health plan's network if there is a shortage of those services within the network, at costs that do not exceed applicable in-network copayments. This bill also authorizes the Department of Managed Health Care (DMHC) and Department of Insurance (CDI) to review and adopt standards concerning the availability of primary and specialty care physicians, hospital care, and other health care, and take compliance or enforcement action, to ensure consumers have timely access to care.

**FISCAL EFFECT:**

- 1) CDI estimates costs between \$250,000 and \$400,000 in fiscal year 2023-24 to review and adopt standards concerning the availability and nature of health care services and providers. CDI indicates a need to add staff and retain experts to implement this bill, but the number of experts needed is difficult to assess based on the language as written (Insurance Fund).
- 2) DMHC projects minor and absorbable costs.
- 3) Likely minor and absorbable costs to the Department of Health Care Services.

**COMMENTS:**

The author states this bill is clean-up legislation to ensure DMHC can effectively enforce SB 221 (Wiener), Chapter 724, Statutes of 2021, which codified timely access standards for follow-up appointments in health plans. The existing timely access statute inadvertently limits the applicability of SB 221's follow-up appointment standards and does not apply to specific preventative care required for children and adolescents. Moreover, the existing statute implies that the DMHC's enforcement authority is limited to assessing administrative penalties. The author asserts this bill remedies the aforementioned problems by updating relevant terminology and clarifying the DMHC's enforcement authority.

This bill also adds parallel requirements for health insurers and CDI.

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