

ASSEMBLY BILL

No. 98

Introduced by Assembly Member De La Torre
(Coauthors: Assembly Members Brownley, Caballero, Carter,
Chesbro, Ma, Monning, Ruskin, Salas, Skinner, Torlakson,
Torres, and Yamada)
(Coauthors: Senators Hancock, Negrete McLeod, and Wolk)

January 6, 2009

An act to add Section 10123.865 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 98, as introduced, De La Torre. Maternity services.

Existing law provides for the regulation of health insurers by the Department of Insurance. Under existing law, a health insurer that provides maternity coverage may not restrict inpatient hospital benefits, as specified, and is required to provide notice of the maternity services coverage.

This bill would require specified health insurance policies to provide coverage for maternity services, as defined.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. The Legislature finds and declares the following:
- 2 (a) In actual practice, health care service plans have been
- 3 required by the Knox-Keene Health Care Service Plan Act of 1975
- 4 (Chapter 2.2 (commencing with Section 1340) of Division 2 of

1 the Health and Safety Code) to provide maternity services as a
2 basic health care benefit.

3 (b) At the same time, existing law does not require health
4 insurers to provide designated basic health care services and,
5 therefore, health insurers are not required to provide coverage for
6 maternity services.

7 (c) Therefore, it is essential to clarify that all health coverage
8 made available to California consumers, whether issued by health
9 care service plans regulated by the Department of Managed Health
10 Care or by health insurers regulated by the Department of
11 Insurance, must include maternity services.

12 SEC. 2. Section 10123.865 is added to the Insurance Code, to
13 read:

14 10123.865. (a) Every individual or group policy of health
15 insurance that covers hospital, medical, or surgical expenses and
16 that is issued, amended, renewed, or delivered on or after January
17 1, 2010, shall provide coverage for maternity services. For the
18 purposes of this section, “maternity services” include prenatal care,
19 ambulatory care maternity services, involuntary complications of
20 pregnancy, neonatal care, and inpatient hospital maternity care,
21 including labor and delivery and postpartum care.

22 (b) This section shall not apply to Medicare supplement,
23 short-term limited duration health insurance, vision-only, or
24 CHAMPUS-supplement insurance, or to hospital indemnity,
25 hospital-only, accident-only, or specified disease insurance that
26 does not pay benefits on a fixed benefit, cash payment only basis.