

**Introduced by Senator Beall  
(Coauthors: Senators DeSaulnier and Rubio)**

February 19, 2013

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An act to add Section 1367.81 to the Health and Safety Code, and to add Section 10123.65 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 320, as introduced, Beall. Health care coverage: acquired brain injury.

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 also provides for the regulation of health insurers by the Department of Insurance. Existing law requires health care service plan contracts and health insurance policies to provide coverage for specified benefits.

This bill would prohibit a health care service plan contract or a health insurance policy issued, amended, renewed, or delivered on or after January 1, 2014, from denying coverage for medically necessary medical or rehabilitation treatment for an acquired brain injury at a facility that is properly licensed and accredited at which appropriate services may be provided, including specified facilities such as a hospital or a long-term acute care hospital, except as provided. The bill would additionally prohibit the contract or policy from denying coverage because the treating facility is not near the enrollee's or insured's home. Because a willful violation of the bill's provisions by a health care service plan would be a crime, it would impose a state-mandated local program.

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.

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

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

1 SECTION 1. Section 1367.81 is added to the Health and Safety  
 2 Code, to read:

3 1367.81. (a) A health care service plan contract issued,  
 4 amended, renewed, or delivered on or after January 1, 2014, shall  
 5 not deny coverage for medically necessary medical or rehabilitation  
 6 treatment for an acquired brain injury at a facility that is properly  
 7 licensed and accredited at which appropriate services may be  
 8 provided, including any of the following facilities:

9 (1) A hospital.

10 (2) An acute rehabilitation hospital.

11 (3) A long-term acute care hospital.

12 (4) An adult residential or postacute residential transitional  
 13 rehabilitation facility accredited by the Commission on  
 14 Accreditation of Rehabilitation Facilities as a specialty brain injury  
 15 rehabilitation program, such as an interdisciplinary outpatient  
 16 medical rehabilitation program, a brain injury program, or a  
 17 residential rehabilitation program.

18 (5) A medical office.

19 (6) Another analogous facility at which appropriate services  
 20 may be provided.

21 (b) A health care service plan shall not deny coverage pursuant  
 22 to subdivision (a) because the treating facility is not near the  
 23 enrollee’s home.

24 (c) This section shall not apply to accident-only, specified  
 25 disease, hospital indemnity, Medicare supplement, dental-only, or  
 26 vision-only health care service plan contracts.

27 SEC. 2. Section 10123.65 is added to the Insurance Code, to  
 28 read:

29 10123.65. (a) A health insurance policy issued, amended,  
 30 renewed, or delivered on or after January 1, 2014, shall not deny

1 coverage for medically necessary medical or rehabilitation  
2 treatment for an acquired brain injury at a facility that is properly  
3 licensed and accredited at which appropriate services may be  
4 provided, including any of the following facilities:

5 (1) A hospital.

6 (2) An acute rehabilitation hospital.

7 (3) A long-term acute care hospital.

8 (4) An adult residential or postacute residential transitional  
9 rehabilitation facility accredited by the Commission on  
10 Accreditation of Rehabilitation Facilities as a specialty brain injury  
11 rehabilitation program, such as an interdisciplinary outpatient  
12 medical rehabilitation program, a brain injury program, or a  
13 residential rehabilitation program.

14 (5) A medical office.

15 (6) Another analogous facility at which appropriate services  
16 may be provided.

17 (b) A health insurance policy shall not deny coverage, pursuant  
18 to subdivision (a) because the treating facility is not near the  
19 insured's home.

20 (c) This section shall not apply to accident-only, specified  
21 disease, hospital indemnity, Medicare supplement, dental-only, or  
22 vision-only health insurance policies.

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