Legislative History

2015   Chapter 801 (SB 546, Leno) - Among other things, requires health plans and health insurers that provide coverage in the large group market to file specified rate information including the weighted average rate increase for all large group benefit designs sold during the twelve-month period ending January 1 of the following calendar year with either the Department of Managed Health Care (DMHC) or the California Department of Insurance (CDI). It requires the notice of changes to premium rates or coverage for large group health plans and insurance policies to provide additional information regarding whether the rate change is greater than average rate increases approved by the California Health Benefit Exchange for individual market products or by the CalPERS Board of Administration, or would be subject to the federal excise tax. The bill also modifies existing annual reporting requirements for plans and insurers to file specified aggregate data for all the plans and policies they sell in the large group market on or before October 1, 2016, and annually thereafter, and requires each department to conduct an annual public meeting regarding large group rate changes within three months of posting the aggregate information. *CalPERS Position: Support.*

AB 463 (Chiu) – Would have required the manufacturer of a prescription drug sold in California that has a wholesale acquisition cost of at least $10,000 annually or per course of treatment, to disclose specified development costs, pricing trend, profit, patient financial assistance data for the drug, and costs of drugs or research projects that failed the approval process, to the Office of Statewide Health Planning and Development (OSHPD) by May 1 of each year. It also requires OSHPD to publish an annual report on the information submitted, provide copies to the Legislature, and post the report on its Internet website. The bill also requires OSHPD to keep the manufacturer's information confidential if it deems the information to be confidential and proprietary, and prohibits the office from disclosing that information to the public. The bill died in the Assembly Health Committee. *CalPERS Position: None.*

2014   Chapter 577 (SB 1182, Leno) - Requires health care service plans and insurers to provide at no charge, upon request, specified de-identified claims data or equivalent cost information to any large group purchaser that is able to demonstrate its ability to comply with state and federal privacy laws, and is either an employer with at least 1,000 covered lives (at least 500 of which are covered under the disclosing health plan or insurer), or a multi-employer trust with at least 500 covered lives (at least 250 of which are covered under the disclosing plan or insurer). If claims data is not available, it requires health plans and insurers to provide de-identified aggregated data sufficient for the purchaser to compare costs of similar services from other health plans or insurers and de-identified aggregated patient level data that includes demographics and encounter data, including data used to experience rate the group, as specified. *CalPERS Position: Support.*

2010   Chapter 661 (SB 1163, Leno) Requires carriers to file, with regulators, specified rate information for individual and small group coverage at least 60 days prior to implementing any rate change, as specified. Requires the filings for large group

contracts only in the case of unreasonable rate increases, as defined by the Affordable Care Act, prior to implementing any such rate change. Increases, from 30 days to 60 days, the amount of time that a health plan or insurer provides written notice to an enrollee or insured before a change in premium rates or coverage becomes effective. Requires carriers that decline to offer coverage to or deny enrollment for a large group applying for coverage, or that offer small group coverage at a rate that is higher than the standard employee risk rate to, at the time of the denial or offer of coverage, to provide the applicant with reason for the decision, as specified. *CalPERS Position: None.*