

AMENDED IN SENATE JUNE 30, 2011
AMENDED IN SENATE JUNE 23, 2011
AMENDED IN ASSEMBLY MAY 27, 2011
AMENDED IN ASSEMBLY MAY 3, 2011
AMENDED IN ASSEMBLY APRIL 14, 2011
AMENDED IN ASSEMBLY MARCH 29, 2011
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 714

Introduced by Assembly Member Atkins

February 17, 2011

An act to amend Section 127420 of, and to add Sections 104164, 120971.5, and 120971.6 to, the Health and Safety Code, to add Sections 12693.78, 12693.79, 12698.45, 12734, and 12739.615 to the Insurance Code, and to add Sections 14029.9 and 14105.182 to the Welfare and Institutions Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 714, as amended, Atkins. Health care coverage: California Health Benefit Exchange.

Existing law, the federal Patient Protection and Affordable Care Act, requires each state to, by January 1, 2014, establish an American Health Benefit Exchange that makes available qualified health plans to qualified individuals and employers. Existing state law establishes the California Health Benefit Exchange within state government, specifies the powers and duties of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage

under qualified health plans, and requires the board to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and small employers by January 1, 2014.

Existing law establishes a program for the treatment of breast and cervical cancer, administered by the State Department of Health Care Services, and a program for cancer screening administered by the State Department of Public Health. Existing law provides specified health care coverage to eligible individuals under the Healthy Families Program, the Access for Infants and Mothers Program, the California Major Risk Medical Insurance Program, and the Federal Temporary High Risk Pool, which are administered by the Managed Risk Medical Insurance Board. Existing law provides specified health care coverage to eligible individuals under the Medi-Cal program and the Family PACT program, which are administered by the State Department of Health Care Services. Existing law provides specified health care coverage to individuals under the AIDS Drug Assistance Program (ADAP) and the federal Ryan White HIV/AIDS Treatment Extension Act of 2009, which are administered by the State Department of Public Health. Existing law provides for the regulation and licensure of hospital facilities by the State Department of Public Health.

This bill would, until June 30, 2013, require the State Department of Health Care Services, the State Department of Public Health, and the Managed Risk Medical Insurance Board, respectively, to disclose information on health care coverage through the California Health Benefit Exchange to every individual who has ceased to be enrolled under the programs described above, except that, with respect to the cancer treatment and screening programs, the Family PACT program, and the programs for treatment of HIV/AIDS, the disclosure would be made to each enrollee, and for the Family PACT Program, the disclosure would be made by Family PACT providers and on and after July 1, 2013, as specified. The bill would require certain hospitals, when billing, to include additional disclosures regarding health care coverage through the Exchange.

On and after January 1, 2013, this bill would require the State Department of Health Care Services and the Managed Risk Medical Insurance Board to provide to the California Health Benefit Exchange specified information for each individual who has ceased to be enrolled under those programs, except the cancer treatment and screening programs, the Family PACT program, and the programs for treatment of HIV/AIDS, in a manner to be prescribed by the Exchange, for

purposes of determining eligibility and completing enrollment in the Exchange, and to disclose that enrollment to those individuals. On and after January 1, 2013, with respect to the cancer treatment and screening programs, the programs for the treatment of HIV/AIDS, and the Family PACT program, this bill would require the State Department of Health Care Services or the State Department of Public Health to provide to the Exchange specified information for each enrollee in a manner to be prescribed by the Exchange for purposes of determining eligibility and completing enrollment in the Exchange. The bill would make the automatic enrollment of those individuals in the Exchange subject to the State Department of Health Care Services, the State Department of Public Health, and the Managed Risk Medical Insurance Board receiving approval from the United States Department of Health and Human Services to transfer the minimum information necessary to initiate an application for enrollment, as specified. The bill would ~~allow an individual who has been enrolled in the Exchange by the departments or the board to opt out of that coverage in a manner to be prescribed by the Exchange~~ *require each affected individual to be given the opportunity to provide informed consent to commence eligibility determination and complete enrollment, but would provide that failure to consent or to respond would be construed to mean the individual is declining coverage.*

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. Section 104164 is added to the Health and Safety
2 Code, to read:
3 104164. (a) (1) Effective January 1, 2012, to June 30, 2013,
4 inclusive, the State Department of Health Care Services shall
5 include the following notice in materials otherwise provided to
6 every individual receiving services or treatment for cancer under
7 this chapter or Section 14007.71 of the Welfare and Institutions
8 Code:
9
10 “Effective January 1, 2014, you may be eligible for reduced-cost,
11 comprehensive health care coverage through the California Health
12 Benefit Exchange. If your income is low, you may be eligible for
13 no-cost coverage through Medi-Cal. For more information, please

1 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
2 telephone number).”

3
4 (2) Effective January 1, 2012, to June 30, 2013, inclusive, the
5 State Department of Public Health shall include the notice set forth
6 in paragraph (1) in materials otherwise provided to every individual
7 receiving cancer screening under Section 30461.8 of the Revenue
8 and Taxation Code.

9 (b) (1) Effective July 1, 2013, the State Department of Health
10 Care Services shall include the following notice in materials
11 otherwise provided to every individual receiving services or
12 treatment under this chapter or Section 14007.71 of the Welfare
13 and Institutions Code:

14
15 “Because you are enrolled in a cancer screening or treatment
16 program, an application for health care coverage through the
17 California Health Benefit Exchange will be made for you. Coverage
18 will not be effective until January 1, 2014. You are not required
19 to accept coverage from the Exchange. Your payment for coverage
20 will be based on your income last year. If you make significantly
21 less or more this year than you made last year, please tell the
22 California Health Benefit Exchange and your charges will be based
23 on your current income. If your income is low, you may qualify
24 for no-cost coverage through Medi-Cal. For more information,
25 check www.healthcare.ca.gov or call 1-888-Healthhelp (insert
26 telephone number).”

27
28 (2) Effective July 1, 2013, the State Department of Public Health
29 shall include the notice set forth in paragraph (1) in materials
30 otherwise provided to every individual receiving cancer screening
31 under Section 30461.8 of the Revenue and Taxation Code.

32 (c) (1) To maximize the number of individual Californians
33 complying with the requirements of the federal Patient Protection
34 and Affordable Care Act (Public Law 111-148) by obtaining
35 coverage consistent with the provisions of federal law, the
36 departments shall seek approval from the United States Department
37 of Health and Human Services to transfer the minimum information
38 necessary to initiate an application for enrollment under this section
39 consistent with Section 100503 of the Government Code.

1 (2) Effective January 1, 2013, for each enrollee, the departments
2 shall provide to the Exchange the name, most recent address,
3 clinical information, ~~recent providers~~ *providers within the last 12*
4 *months*, and other information that is in the possession of the
5 program that the Exchange may require, in a manner to be
6 prescribed by the Exchange strictly necessary in order to determine
7 eligibility, complete enrollment, and maximize continuity of care.
8 The information shall be kept confidential in a manner consistent
9 with subsection (g) of Section 1411 of the federal Patient Protection
10 and Affordable Care Act (Public Law 111-148) *and other federal*
11 *and state medical privacy laws*.

12 (3) The information to the Exchange shall initiate an application
13 for enrollment in coverage within the meaning of Section 100503
14 of the Government Code. Nothing in this section shall be construed
15 to alter the responsibility of the Exchange or other state and local
16 government entities with respect to the criteria and process for
17 eligibility and enrollment in the Exchange and other public health
18 care coverage programs.

19 ~~(d) The individual shall have the opportunity to decline health~~
20 ~~care coverage pursuant to this section in a manner to be prescribed~~
21 ~~by the Exchange.~~

22 *(d) An individual for whom an application has been initiated*
23 *by the transfer of information shall be given the opportunity to*
24 *provide informed consent for the use of the transferred information*
25 *to commence eligibility determination and complete enrollment*
26 *as well as the opportunity to correct any transferred information*
27 *or provide additional information before a final eligibility*
28 *determination is made. If the individual fails to consent or fails to*
29 *respond to the opportunity to provide informed consent within a*
30 *reasonable period of time, that failure to consent or respond shall*
31 *be construed to mean that the individual is declining coverage.*

32 SEC. 2. Section 120971.5 is added to the Health and Safety
33 Code, to read:

34 120971.5. (a) Effective January 1, 2012, to June 30, 2013,
35 inclusive, the State Department of Public Health shall include the
36 following notice in materials otherwise provided to every individual
37 receiving care or services under the AIDS Drug Assistance Program
38 (ADAP), as provided in Section 120950:
39

1 “Effective January 1, 2014, you may be eligible for reduced-cost,
2 comprehensive health care coverage through the California Health
3 Benefit Exchange. If your income is low, you may be eligible for
4 no-cost coverage through Medi-Cal. For more information, please
5 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
6 telephone number).”

7
8 (b) Effective July 1, 2013, the State Department of Public Health
9 shall include the following notice in materials otherwise provided
10 to every individual receiving care or services under ADAP as
11 provided in Section 120950:

12
13 “Because you are enrolled in a public health program, an
14 application for health care coverage through the California Health
15 Benefit Exchange will be made for you. Coverage will not be
16 effective until January 1, 2014. You are not required to accept
17 coverage from the Exchange. Your payment for coverage will be
18 based on your income last year. If you make significantly less or
19 more this year than you made last year, please tell the California
20 Health Benefit Exchange and your charges will be based on your
21 current income. If your income is low, you may qualify for no-cost
22 coverage through Medi-Cal. For more information, check
23 www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone
24 number).”

25
26 (c) (1) To maximize the number of individual Californians
27 complying with the requirements of the federal Patient Protection
28 and Affordable Care Act (Public Law 111-148) by obtaining
29 coverage consistent with the provisions of federal law, the State
30 Department of Public Health shall seek approval from the United
31 States Department of Health and Human Services to transfer the
32 minimum information necessary to initiate an application for
33 enrollment under this section consistent with Section 100503 of
34 the Government Code.

35 (2) Effective January 1, 2013, for each enrollee, the State
36 Department of Public Health shall provide to the Exchange the
37 name, most recent address, clinical information, ~~recent providers~~
38 *providers within the last 12 months*, and other information that is
39 in the possession of the program that the Exchange may require,
40 in a manner to be prescribed by the Exchange strictly necessary

1 in order to determine eligibility, complete enrollment, and
2 maximize continuity of care. The information shall be kept
3 confidential in a manner consistent with subsection (g) of Section
4 1411 of the federal Patient Protection and Affordable Care Act
5 (Public Law 111-148), ~~the and other federal and state medical~~
6 *privacy laws. The information shall be provided consistent with*
7 Section 120980.

8 (3) The information provided to the Exchange shall initiate an
9 application for enrollment in coverage within the meaning of
10 Section 100503 of the Government Code. Nothing in this section
11 shall be construed to alter the responsibility of the Exchange or
12 other state and local government entities with respect to the criteria
13 and process for eligibility and enrollment in the Exchange and
14 other public health care coverage programs.

15 ~~(d) The individual shall have the opportunity to decline health~~
16 ~~care coverage pursuant to this section in a manner to be prescribed~~
17 ~~by the Exchange.~~

18 *(d) An individual for whom an application has been initiated*
19 *by the transfer of information shall be given the opportunity to*
20 *provide informed consent for the use of the transferred information*
21 *to commence eligibility determination and complete enrollment*
22 *as well as the opportunity to correct any transferred information*
23 *or provide additional information before a final eligibility*
24 *determination is made. If the individual fails to consent or fails to*
25 *respond to the opportunity to provide informed consent within a*
26 *reasonable period of time, that failure to consent or respond shall*
27 *be construed to mean that the individual is declining coverage.*

28 SEC. 3. Section 120971.6 is added to the Health and Safety
29 Code, to read:

30 120971.6. (a) Effective January 1, 2012, to June 30, 2013,
31 inclusive, the State Department of Public Health shall include the
32 following notice in materials otherwise provided to every individual
33 receiving care or services under the federal Ryan White HIV/AIDS
34 Treatment Extension Act of 2009 (Public Law 111-187):

35
36 “Effective January 1, 2014, you may be eligible for reduced-cost,
37 comprehensive health care coverage through the California Health
38 Benefit Exchange. If your income is low, you may be eligible for
39 no-cost coverage through Medi-Cal. For more information, please

1 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
2 telephone number).”

3
4 (b) Effective July 1, 2013, the State Department of Public Health
5 shall include the following notice in materials otherwise provided
6 to every individual receiving care or services under the federal
7 Ryan White HIV/AIDS Treatment Extension Act of 2009 (Public
8 Law 111-187):

9
10 “Because you are enrolled in a public health program, an
11 application for health care coverage through the California Health
12 Benefit Exchange will be made for you. Coverage will not be
13 effective until January 1, 2014. You are not required to accept
14 coverage from the Exchange. Your payment for coverage will be
15 based on your income last year. If you make significantly less or
16 more this year than you made last year, please tell the California
17 Health Benefit Exchange and your charges will be based on your
18 current income. If your income is low, you may qualify for no-cost
19 coverage through Medi-Cal. For more information, check
20 www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone
21 number).”

22
23 (c) (1) To maximize the number of individual Californians
24 complying with the requirements of the federal Patient Protection
25 and Affordable Care Act (Public Law 111-148) by obtaining
26 coverage consistent with the provisions of federal law, the State
27 Department of Public Health shall seek approval from the United
28 States Department of Health and Human Services to transfer the
29 minimum information necessary to initiate an application for
30 enrollment under this section consistent with Section 100503 of
31 the Government Code.

32 (2) Effective January 1, 2013, for each enrollee, the State
33 Department of Public Health shall provide to the Exchange the
34 name, most recent address, clinical information, ~~recent providers~~
35 *providers within the last 12 months*, and other information that is
36 in the possession of the program that the Exchange may require,
37 in a manner to be prescribed by the Exchange strictly necessary
38 in order to determine eligibility, complete enrollment, and
39 maximize continuity of care. The information shall be kept
40 confidential in a manner consistent with subsection (g) of Section

1 1411 of the federal Patient Protection and Affordable Care Act
2 (Public Law 111-148), ~~the~~ *and other federal and state medical*
3 *privacy laws. The information shall be provided consistent with*
4 Section 120980.

5 (3) The information provided to the Exchange shall initiate an
6 application for enrollment in coverage within the meaning of
7 Section 100503 of the Government Code. Nothing in this section
8 shall be construed to alter the responsibility of the Exchange or
9 other state and local government entities with respect to the criteria
10 and process for eligibility and enrollment in the Exchange and
11 other public health care coverage programs.

12 ~~(d) The individual shall have the opportunity to decline health~~
13 ~~care coverage pursuant to this section in a manner to be prescribed~~
14 ~~by the Exchange.~~

15 *(d) An individual for whom an application has been initiated*
16 *by the transfer of information shall be given the opportunity to*
17 *provide informed consent for the use of the transferred information*
18 *to commence eligibility determination and complete enrollment*
19 *as well as the opportunity to correct any transferred information*
20 *or provide additional information before a final eligibility*
21 *determination is made. If the individual fails to consent or fails to*
22 *respond to the opportunity to provide informed consent within a*
23 *reasonable period of time, that failure to consent or respond shall*
24 *be construed to mean that the individual is declining coverage.*

25 SEC. 4. Section 127420 of the Health and Safety Code is
26 amended to read:

27 127420. (a) Each hospital shall make all reasonable efforts to
28 obtain from the patient or his or her representative information
29 about whether private or public health insurance or sponsorship
30 may fully or partially cover the charges for care rendered by the
31 hospital to a patient, including, but not limited to, any of the
32 following:

33 (1) Private health insurance.

34 (2) Medicare.

35 (3) The Medi-Cal program, the Healthy Families Program, the
36 California Childrens' Services Program, or other state-funded
37 programs designed to provide health coverage.

38 (b) If a hospital bills a patient who has not provided proof of
39 coverage by a third party at the time the care is provided or upon
40 discharge, as a part of that billing, the hospital shall provide the

1 patient with a clear and conspicuous notice that includes all of the
2 following:

3 (1) A statement of charges for services rendered by the hospital.

4 (2) A request that the patient inform the hospital if the patient
5 has health insurance coverage, Medicare, Healthy Families,
6 Medi-Cal, or other coverage.

7 (3) A statement that if the consumer does not have health
8 insurance coverage, the consumer may be eligible for Medicare,
9 Healthy Families, Medi-Cal, California Childrens' Services
10 Program, or charity care. Effective January 1, 2013, the statement
11 shall include information about the availability of coverage through
12 the California Health Benefit Exchange and that such coverage
13 shall be available effective January 1, 2014.

14 (4) (A) A statement indicating how patients may obtain
15 applications for the Medi-Cal program and the Healthy Families
16 Program and that the hospital will provide these applications.
17 Effective January 1, 2013, the statement shall include information
18 about the availability of coverage through the California Health
19 Benefit Exchange and that such coverage shall be available
20 effective January 1, 2014. If the patient does not indicate coverage
21 by a third-party payer specified in subdivision (a), or requests a
22 discounted price or charity care then the hospital shall provide an
23 application for the Medi-Cal program, the Healthy Families
24 Program, or other governmental program to the patient. This
25 application shall be provided prior to discharge if the patient has
26 been admitted or to patients receiving emergency or outpatient
27 care.

28 (B) Effective January 1, 2014, the California Health Benefit
29 Exchange shall be included as a government program under this
30 section, including for purposes of the notice and application
31 requirements under this subdivision.

32 (5) Information regarding the financially qualified patient and
33 charity care application, including the following:

34 (A) A statement that indicates that if the patient lacks, or has
35 inadequate, insurance, and meets certain low- and moderate-income
36 requirements, the patient may qualify for discounted payment or
37 charity care.

38 (B) The name and telephone number of a hospital employee or
39 office from whom or which the patient may obtain information

1 about the hospital's discount payment and charity care policies,
2 and how to apply for that assistance.

3 SEC. 5. Section 12693.78 is added to the Insurance Code, to
4 read:

5 12693.78. (a) Effective January 1, 2012, to June 30, 2013,
6 inclusive, the board shall include the following notice in materials
7 otherwise provided to every individual who ceases to be enrolled
8 in the program:

9
10 "Effective January 1, 2014, you may be eligible for reduced-cost,
11 comprehensive health care coverage through the California Health
12 Benefit Exchange. If your income is low, you may be eligible for
13 no-cost coverage through Medi-Cal. For more information, please
14 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
15 telephone number)."

16
17 (b) Effective July 1, 2013, the board shall include the following
18 notice in materials otherwise provided to every individual who
19 ceases to be enrolled in the program *after that date*:

20
21 "Because you are no longer enrolled in the Healthy Families
22 Program, an application for health care coverage through the
23 California Health Benefit Exchange will be made for you. Coverage
24 will not be effective until January 1, 2014. You are not required
25 to accept coverage from the Exchange. Your payment for coverage
26 will be based on your income last year. If you make significantly
27 less or more this year than you made last year, please tell the
28 California Health Benefit Exchange and your charges will be based
29 on your current income. If your income is low, you may qualify
30 for no-cost coverage through Medi-Cal. For more information,
31 check www.healthcare.ca.gov or call 1-888-Healthhelp (insert
32 telephone number)."

33
34 (c) (1) To maximize the number of individual Californians
35 complying with the requirements of the federal Patient Protection
36 and Affordable Care Act (Public Law 111-148) by obtaining
37 coverage consistent with the provisions of federal law, the board
38 shall seek approval from the United States Department of Health
39 and Human Services to transfer the minimum information

1 necessary to initiate an application for enrollment under this section
 2 consistent with Section 100503 of the Government Code.

3 (2) Effective January 1, 2013, for each enrollee who has ceased
 4 to be enrolled, the board shall provide to the Exchange the name,
 5 most recent address, clinical information, ~~recent providers~~
 6 *providers within the last 12 months*, and other information that is
 7 in the possession of the program that the Exchange may require,
 8 in a manner to be prescribed by the Exchange strictly necessary
 9 in order to determine eligibility, complete enrollment, and
 10 maximize continuity of care. The information shall be kept
 11 confidential in a manner consistent with subsection (g) of Section
 12 1411 of the federal Patient Protection and Affordable Care Act
 13 (Public Law 111-148) *and other federal and state medical privacy*
 14 *laws.*

15 (3) The information provided to the Exchange shall initiate an
 16 application for enrollment in coverage within the meaning of
 17 Section 100503 of the Government Code. Nothing in this section
 18 shall be construed to alter the responsibility of the Exchange or
 19 other state and local government entities with respect to the criteria
 20 and process for eligibility and enrollment in the Exchange and
 21 other public health care coverage programs.

22 ~~(d) The individual shall have the opportunity to decline health~~
 23 ~~care coverage pursuant to this section in a manner to be prescribed~~
 24 ~~by the Exchange.~~

25 *(d) An individual for whom an application has been initiated*
 26 *by the transfer of information shall be given the opportunity to*
 27 *provide informed consent for the use of the transferred information*
 28 *to commence eligibility determination and complete enrollment*
 29 *as well as the opportunity to correct any transferred information*
 30 *or provide additional information before a final eligibility*
 31 *determination is made. If the individual fails to consent or fails to*
 32 *respond to the opportunity to provide informed consent within a*
 33 *reasonable period of time, that failure to consent or respond shall*
 34 *be construed to mean that the individual is declining coverage.*

35 SEC. 6. Section 12693.79 is added to the Insurance Code, to
 36 read:

37 12693.79. Effective January 1, 2012, the board shall include
 38 the following notice in materials otherwise provided to every
 39 individual enrolled in the Healthy Families Program:

40

1 “Effective January 1, 2014, if your parents or other family
2 members do not have health care coverage that costs less than 10%
3 of your income, your parents or other family members may be
4 eligible for reduced-cost, comprehensive health care coverage
5 through the California Health Benefit Exchange. If your income
6 is low, you may be eligible for no-cost coverage through Medi-Cal.
7 For more information, please visit www.healthcare.ca.gov or call
8 1-888-Healthhelp (insert telephone number).”
9

10 SEC. 7. Section 12698.45 is added to the Insurance Code, to
11 read:

12 12698.45. (a) Effective January 1, 2012, to June 30, 2013,
13 inclusive, the board shall include the following notice in materials
14 otherwise provided to every individual who ceases to be enrolled
15 in the program:

16
17 “Effective January 1, 2014, you may be eligible for reduced-cost,
18 comprehensive health care coverage through the California Health
19 Benefit Exchange. If your income is low, you may be eligible for
20 no-cost coverage through Medi-Cal. For more information, please
21 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
22 telephone number).”
23

24 (b) Effective July 1, 2013, the board shall include the following
25 notice in materials otherwise provided to every individual who
26 ceases to be enrolled in the program:

27
28 “Because you are no longer enrolled in AIM (Access for Infants
29 and Mothers Program), an application for health care coverage
30 through the California Health Benefit Exchange will be made for
31 you. Coverage will not be effective until January 1, 2014. You are
32 not required to accept coverage from the Exchange. Your payment
33 for coverage will be based on your income last year. If you make
34 significantly less or more this year than you made last year, please
35 tell the California Health Benefit Exchange and your charges will
36 be based on your current income. If your income is low, you may
37 qualify for no-cost coverage through Medi-Cal. For more
38 information, check www.healthcare.ca.gov or call 1-888-Healthhelp
39 (insert telephone number).”
40

1 (c) (1) To maximize the number of individual Californians
2 complying with the requirements of the federal Patient Protection
3 and Affordable Care Act (Public Law 111-148) by obtaining
4 coverage consistent with the provisions of federal law, the board
5 shall seek approval from the United States Department of Health
6 and Human Services to transfer the minimum information
7 necessary to initiate an application for enrollment under this section
8 consistent with Section 100503 of the Government Code.

9 (2) Effective January 1, 2013, for each enrollee who has ceased
10 to be enrolled, the board shall provide to the Exchange the name,
11 most recent address, clinical information, ~~recent providers~~
12 *providers within the last 12 months*, and other information that is
13 in the possession of the program that the Exchange may require,
14 in a manner to be prescribed by the Exchange strictly necessary
15 in order to determine eligibility, complete enrollment, and
16 maximize continuity of care. The information shall be kept
17 confidential in a manner consistent with subsection (g) of Section
18 1411 of the federal Patient Protection and Affordable Care Act
19 (Public Law 111-148) *and other federal and state medical privacy*
20 *laws*.

21 (3) The information provided to the Exchange shall initiate an
22 application for enrollment in coverage within the meaning of
23 Section 100503 of the Government Code. Nothing in this section
24 shall be construed to alter the responsibility of the Exchange or
25 other state and local government entities with respect to the criteria
26 and process for eligibility and enrollment in the Exchange and
27 other public health care coverage programs.

28 ~~(d) The individual shall have the opportunity to decline health~~
29 ~~care coverage pursuant to this section in a manner to be prescribed~~
30 ~~by the Exchange.~~

31 *(d) An individual for whom an application has been initiated*
32 *by the transfer of information shall be given the opportunity to*
33 *provide informed consent for the use of the transferred information*
34 *to commence eligibility determination and complete enrollment*
35 *as well as the opportunity to correct any transferred information*
36 *or provide additional information before a final eligibility*
37 *determination is made. If the individual fails to consent or fails to*
38 *respond to the opportunity to provide informed consent within a*
39 *reasonable period of time, that failure to consent or respond shall*
40 *be construed to mean that the individual is declining coverage.*

1 SEC. 8. Section 12734 is added to the Insurance Code, to read:
2 12734. (a) Effective January 1, 2012, to June 30, 2013,
3 inclusive, the board shall include the following notice in materials
4 otherwise provided to every individual who ceases to be enrolled
5 in the program:

6
7 “Effective January 1, 2014, you may be eligible for reduced-cost,
8 comprehensive health care coverage through the California Health
9 Benefit Exchange. If your income is low, you may be eligible for
10 no-cost coverage through Medi-Cal. For more information, please
11 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
12 telephone number).”

13
14 (b) Effective July 1, 2013, the board shall include the following
15 notice in materials otherwise provided to every individual who
16 ceases to be enrolled in the program:

17
18 “Because you are no longer enrolled in the California Major
19 Risk Medical Insurance Program, an application for health care
20 coverage through the California Health Benefit Exchange will be
21 made for you. Coverage will not be effective until January 1, 2014.
22 You are not required to accept coverage from the Exchange. Your
23 payment for coverage will be based on your income last year. If
24 you make significantly less or more this year than you made last
25 year, please tell the California Health Benefit Exchange and your
26 charges will be based on your current income. If your income is
27 low, you may qualify for no-cost coverage through Medi-Cal. For
28 more information, check www.healthcare.ca.gov or call
29 1-888-Healthhelp (insert telephone number).”

30
31 (c) (1) To maximize the number of individual Californians
32 complying with the requirements of the federal Patient Protection
33 and Affordable Care Act (Public Law 111-148) by obtaining
34 coverage consistent with the provisions of federal law, the board
35 shall seek approval from the United States Department of Health
36 and Human Services to transfer the minimum information
37 necessary to initiate an application for enrollment under this section
38 consistent with Section 100503 of the Government Code.

39 (2) Effective January 1, 2013, for each enrollee who has ceased
40 to be enrolled, the board shall provide to the Exchange the name,

1 most recent address, clinical information, ~~recent providers~~
 2 *providers within the last 12 months*, and other information that is
 3 in the possession of the program that the Exchange may require,
 4 in a manner to be prescribed by the Exchange strictly necessary
 5 in order to determine eligibility, complete enrollment, and
 6 maximize continuity of care. The information shall be kept
 7 confidential in a manner consistent with subsection (g) of Section
 8 1411 of the federal Patient Protection and Affordable Care Act
 9 (Public Law 111-148) *and other federal and state medical privacy*
 10 *laws.*

11 (3) The information provided to the Exchange shall initiate an
 12 application for enrollment in coverage within the meaning of
 13 Section 100503 of the Government Code. Nothing in this section
 14 shall be construed to alter the responsibility of the Exchange or
 15 other state and local government entities with respect to the criteria
 16 and process for eligibility and enrollment in the Exchange and
 17 other public health care coverage programs.

18 ~~(d) The individual shall have the opportunity to decline health~~
 19 ~~care coverage pursuant to this section in a manner to be prescribed~~
 20 ~~by the Exchange.~~

21 *(d) An individual for whom an application has been initiated*
 22 *by the transfer of information shall be given the opportunity to*
 23 *provide informed consent for the use of the transferred information*
 24 *to commence eligibility determination and complete enrollment*
 25 *as well as the opportunity to correct any transferred information*
 26 *or provide additional information before a final eligibility*
 27 *determination is made. If the individual fails to consent or fails to*
 28 *respond to the opportunity to provide informed consent within a*
 29 *reasonable period of time, that failure to consent or respond shall*
 30 *be construed to mean that the individual is declining coverage.*

31 SEC. 9. Section 12739.615 is added to the Insurance Code, to
 32 read:

33 12739.615. (a) Effective January 1, 2012, to June 30, 2013,
 34 inclusive, the board shall include the following notice in materials
 35 otherwise provided to every individual who ceases to be enrolled
 36 in the program:

37
 38 “Effective January 1, 2014, you may be eligible for reduced-cost,
 39 comprehensive health care coverage through the California Health
 40 Benefit Exchange. If your income is low, you may be eligible for

1 no-cost coverage through Medi-Cal. For more information, please
2 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
3 telephone number).”

4

5 (b) Effective July 1, 2013, the board shall include the following
6 notice in materials otherwise provided to every individual who
7 ceases to be enrolled in the program:

8

9 “Because you are no longer enrolled in the Federal Temporary
10 High Risk Pool, an application for health care coverage through
11 the California Health Benefit Exchange will be made for you.
12 Coverage will not be effective until January 1, 2014. You are not
13 required to accept coverage from the Exchange. Your payment for
14 coverage will be based on your income last year. If you make
15 significantly less or more this year than you made last year, please
16 tell the California Health Benefit Exchange and your charges will
17 be based on your current income. If your income is low, you may
18 qualify for no-cost coverage through Medi-Cal. For more
19 information, check www.healthcare.ca.gov or call 1-888-Healthhelp
20 (insert telephone number).”

21

22 (c) (1) To maximize the number of individual Californians
23 complying with the requirements of the federal Patient Protection
24 and Affordable Care Act (Public Law 111-148) by obtaining
25 coverage consistent with the provisions of federal law, the board
26 shall seek approval from the United States Department of Health
27 and Human Services to transfer the minimum information
28 necessary to initiate an application for enrollment under this section
29 consistent with Section 100503 of the Government Code.

30 (2) Effective January 1, 2013, for each enrollee who has ceased
31 to be enrolled, the board shall provide to the Exchange the name,
32 most recent address, clinical information, ~~recent providers~~
33 *providers within the last 12 months*, and other information that is
34 in the possession of the program that the Exchange may require,
35 in a manner to be prescribed by the Exchange strictly necessary
36 in order to determine eligibility, complete enrollment, and
37 maximize continuity of care. The information shall be kept
38 confidential in a manner consistent with subsection (g) of Section
39 1411 of the federal Patient Protection and Affordable Care Act

1 (Public Law 111-148) and other federal and state medical privacy
 2 laws.

3 (3) The information provided to the Exchange shall initiate an
 4 application for enrollment in coverage within the meaning of
 5 Section 100503 of the Government Code. Nothing in this section
 6 shall be construed to alter the responsibility of the Exchange or
 7 other state and local government entities with respect to the criteria
 8 and process for eligibility and enrollment in the Exchange and
 9 other public health care coverage programs.

10 ~~(d) The individual shall have the opportunity to decline health~~
 11 ~~care coverage pursuant to this section in a manner to be prescribed~~
 12 ~~by the Exchange.~~

13 *(d) An individual for whom an application has been initiated*
 14 *by the transfer of information shall be given the opportunity to*
 15 *provide informed consent for the use of the transferred information*
 16 *to commence eligibility determination and complete enrollment*
 17 *as well as the opportunity to correct any transferred information*
 18 *or provide additional information before a final eligibility*
 19 *determination is made. If the individual fails to consent or fails to*
 20 *respond to the opportunity to provide informed consent within a*
 21 *reasonable period of time, that failure to consent or respond shall*
 22 *be construed to mean that the individual is declining coverage.*

23 SEC. 10. Section 14029.9 is added to the Welfare and
 24 Institutions Code, to read:

25 14029.9. (a) Effective January 1, 2012, to June 30, 2013,
 26 inclusive, the department shall include the following notice in
 27 materials otherwise provided to every individual who ceases to be
 28 enrolled in the Medi-Cal program and received full-scope Medi-Cal
 29 benefits for which there was federal financial participation:
 30

31 “Effective January 1, 2014, you may be eligible for reduced-cost,
 32 comprehensive health care coverage through the California Health
 33 Benefit Exchange. If your income is low, you may be eligible for
 34 no-cost coverage through Medi-Cal. For more information, please
 35 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
 36 telephone number).”
 37

38 (b) Effective July 1, 2013, the department shall include the
 39 following notice in materials otherwise provided to every individual
 40 who ceases to be enrolled in the Medi-Cal program and received

1 full-scope Medi-Cal benefits for which there was federal financial
2 participation:

3
4 “Because you are no longer enrolled in Medi-Cal, an application
5 for health care coverage through the California Health Benefit
6 Exchange will be made for you. Coverage will not be effective
7 until January 1, 2014. You are not required to accept coverage
8 from the Exchange. Your payment for coverage will be based on
9 your income last year. If you make significantly less or more this
10 year than you made last year, please tell the California Health
11 Benefit Exchange and your charges will be based on your current
12 income. If your income is low, you may qualify for no-cost
13 coverage through Medi-Cal. For more information, check
14 www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone
15 number).”

16
17 (c) (1) To maximize the number of individual Californians
18 complying with the requirements of the federal Patient Protection
19 and Affordable Care Act (Public Law 111-148) by obtaining
20 coverage consistent with the provisions of federal law, the
21 department shall seek approval from the United States Department
22 of Health and Human Services to transfer the minimum information
23 necessary to initiate an application for enrollment under this section
24 consistent with Section 100503 of the Government Code.

25 (2) Effective January 1, 2013, for each enrollee who has ceased
26 to be enrolled, the department shall provide to the Exchange the
27 name, most recent address, clinical information, ~~recent providers~~
28 *providers within the last 12 months*, and other information that is
29 in the possession of the program that the Exchange may require,
30 in a manner to be prescribed by the Exchange strictly necessary
31 in order to determine eligibility, complete enrollment, and
32 maximize continuity of care. The information shall be kept
33 confidential in a manner consistent with subsection (g) of Section
34 1411 of the federal Patient Protection and Affordable Care Act
35 (Public Law 111-148) *and other federal and state medical privacy*
36 *laws*.

37 (3) The information provided to the Exchange shall initiate an
38 application for enrollment in coverage within the meaning of
39 Section 100503 of the Government Code. Nothing in this section
40 shall be construed to alter the responsibility of the Exchange or

1 other state and local government entities with respect to the criteria
2 and process for eligibility and enrollment in the Exchange and
3 other public health care coverage programs.

4 ~~(d) The individual shall have the opportunity to decline health
5 care coverage pursuant to this section in a manner to be prescribed
6 by the Exchange.~~

7 *(d) An individual for whom an application has been initiated
8 by the transfer of information shall be given the opportunity to
9 provide informed consent for the use of the transferred information
10 to commence eligibility determination and complete enrollment
11 as well as the opportunity to correct any transferred information
12 or provide additional information before a final eligibility
13 determination is made. If the individual fails to consent or fails to
14 respond to the opportunity to provide informed consent within a
15 reasonable period of time, that failure to consent or respond shall
16 be construed to mean that the individual is declining coverage.*

17 SEC. 11. Section 14105.182 is added to the Welfare and
18 Institutions Code, to read:

19 14105.182. (a) Effective January 1, 2012, to June 30, 2013,
20 inclusive, the Family PACT provider shall include the following
21 notice in materials otherwise provided to every individual receiving
22 care or services under the Family PACT program as provided in
23 subdivision (aa) of Section 14132:

24
25 “Effective January 1, 2014, you may be eligible for reduced-cost,
26 comprehensive health care coverage through the California Health
27 Benefit Exchange. If your income is low, you may be eligible for
28 no-cost coverage through Medi-Cal. For more information, please
29 visit www.healthcare.ca.gov or call 1-888-Healthhelp (insert
30 telephone number).”

31
32 (b) *(1)* Effective July 1, 2013, the Family PACT provider shall
33 include the following notice in materials otherwise provided to
34 every individual receiving care or services under the Family PACT
35 program as provided in subdivision (aa) of Section 14132:

36
37 “Because you are enrolled in a public health program, an
38 application for health care coverage through the California Health
39 Benefit Exchange will be made for you. If you do not qualify for
40 that coverage or if you decline that coverage, your enrollment in

1 Family PACT will continue. Coverage will not be effective until
2 January 1, 2014. You are not required to accept coverage from the
3 Exchange. Your payment for coverage will be based on your
4 income last year. If you make significantly less or more this year
5 than you made last year, please tell the California Health Benefit
6 Exchange and your charges will be based on your current income.
7 If your income is low, you may qualify for no-cost coverage
8 through Medi-Cal. For more information, check
9 www.healthcare.ca.gov or call 1-888-Healthhelp (insert telephone
10 number).”

11
12 *(2) The Family PACT provider shall seek written consent from*
13 *every individual receiving care or services under the program to*
14 *initiate an application for enrollment through the Exchange and*
15 *shall provide to the department the name and patient identifier for*
16 *those individuals who provide that consent.*

17 (c) (1) To maximize the number of individual Californians
18 complying with the requirements of the federal Patient Protection
19 and Affordable Care Act (Public Law 111-148) by obtaining
20 coverage consistent with the provisions of federal law, the
21 department shall seek approval from the United States Department
22 of Health and Human Services to transfer the minimum information
23 necessary to initiate an application for enrollment under this section
24 consistent with Section 100503 of the Government Code.

25 (2) Effective January 1, 2013, for each enrollee *from whom the*
26 *provider has obtained written consent*, the department shall provide
27 to the Exchange the name, most recent address, other information
28 that is in the possession of the program, and providers within the
29 last 12 months, in a manner to be prescribed by the Exchange
30 strictly necessary in order to determine eligibility, complete
31 enrollment, and maximize continuity of care. The information shall
32 be kept confidential in a manner consistent with subsection (g) of
33 Section 1411 of the federal Patient Protection and Affordable Care
34 Act (Public Law 111-148) *and other federal and state medical*
35 *privacy laws*. To maximize continuity of care in selecting a plan,
36 enrollees shall be provided information about participating
37 providers based on an enrollee’s existing or recent utilization of
38 providers, to the extent possible and consistent with paragraph (9)
39 of subdivision (a) of Section 100504 of the Government Code.

1 (3) The information provided to the Exchange shall initiate an
 2 application for enrollment in coverage within the meaning of
 3 Section 100503 of the Government Code. Nothing in this section
 4 shall be construed to alter the responsibility of the Exchange or
 5 other state and local government entities with respect to the criteria
 6 and process for eligibility and enrollment in the Exchange and
 7 other public health care coverage programs.

8 ~~(d) The individual shall have the opportunity to decline health~~
 9 ~~care coverage pursuant to this section in a manner to be prescribed~~
 10 ~~by the Exchange.~~

11 *(d) An individual for whom an application has been initiated*
 12 *by the transfer of information shall be given the opportunity to*
 13 *provide informed consent for the use of the transferred information*
 14 *to commence eligibility determination and complete enrollment*
 15 *as well as the opportunity to correct any transferred information*
 16 *or provide additional information before a final eligibility*
 17 *determination is made. If the individual fails to consent or fails to*
 18 *respond to the opportunity to provide informed consent within a*
 19 *reasonable period of time, that failure to consent or respond shall*
 20 *be construed to mean that the individual is declining coverage.*

21 *SEC. 12. The State Public Health officer, with respect to the*
 22 *notice required by Sections 104164, 120971.5, 120971.6, and*
 23 *127420 of the Health and Safety Code, the Managed Risk Medical*
 24 *Insurance Board, with respect to the notice required by Sections*
 25 *12693.78, 12693.79, 12734, and 12739.615 of the Insurance Code,*
 26 *and the Director of Health Care Services, with respect to the notice*
 27 *required by Sections 14029.9 and 14105.182 of the Welfare and*
 28 *Institutions Code, may, by regulation, modify the wording of the*
 29 *notice for purposes of clarity, readability, and accuracy, but may*
 30 *not change the substantive meaning of the notice. Each notice shall*
 31 *also be provided in threshold languages.*