
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2021 - 2022 Regular Session

AB 2024 (Friedman) - Health care coverage: diagnostic imaging

Version: August 1, 2022

Urgency: No

Hearing Date: August 8, 2022

Policy Vote: HEALTH 10 - 0

Mandate: Yes

Consultant: Agnes Lee

Bill Summary: AB 2024 would require a health plan, health insurer or self-insured employee welfare benefit plan to cover screening mammography, medically necessary diagnostic or supplemental breast examinations, or tests for screening or diagnostic purposes upon the referral of a participating providers, as specified, and, prohibits a plan contract or insurance policy from imposing a deductible, coinsurance, copayment, or any other cost-sharing requirement for screening mammography, medically necessary diagnostic or supplemental breast examinations, or testing.

Fiscal Impact:

- The California Department of Insurance (CDI) estimates state operations costs of \$2,000 in 2022-23 and \$12,000 in 2023-24 (Insurance Fund).
- The Department of Managed Health Care (DMHC) indicates absorbable costs.

Background: The DMHC regulates health plans under the Knox-Keene Act and CDI regulates health and other insurance. Existing law requires health plans, health insurers or self-insured employee welfare benefit plans to provide coverage for mammography for screening or diagnostic purposes upon referral by a participating nurse practitioner, participating certified nurse-midwife, participating physician assistant, or participating physician, providing care to the patient and operating within their scope of practice.

Current law does not prevent application of copayment or deductible provisions in a plan for these covered mammography services, nor does it require a plan or policy be extended to cover any other procedures under an individual or a group health plan contract or health insurance policy, and it does not authorize a plan enrollee or insured to receive services furnished by a nonparticipating provider, unless the plan enrollee or insured is referred to that provider by a participating physician, nurse practitioner, or certified nurse-midwife providing care.

Proposed Law: Specific provisions of the bill would:

- Require a health plan contract, a health insurance policy, or a self-insured employee welfare benefit plan issued, amended or renewed on or after January 1, 2023 to provide coverage for screening mammography, medically necessary diagnostic or supplemental breast examinations, or tests for screening or diagnostic purposes upon the referral of a participating nurse practitioner, participating certified nurse-

midwife, participating physician assistant, or participating physician, providing care to the patient and operating within the scope of practice provided under existing law.

- Prohibit a plan contract or insurance policy from imposing a deductible, coinsurance, copayment, or any other cost-sharing requirement for screening mammography, medically necessary diagnostic or supplemental breast examinations, or testing. The bill would provide a specified exemption for certain “high-deductible health plans” (HDHPs) from this requirement.

Related Legislation: SB 974 (Portantino) would require a health plan contract, an individual or group disability insurance policy, as specified, or a self-insured employee welfare benefit plan issued, amended, or renewed on or after January 1, 2023, to provide coverage without imposing cost sharing for screening mammography and medically necessary diagnostic breast imaging, including diagnostic breast imaging following an abnormal mammography result and for an enrollee or insured indicated to have a risk factor associated with breast cancer. The bill is currently in the Assembly Appropriations Committee.

Staff Comments: According to the California Health Benefits Review Program (CHBRP), based on the March 16, 2022 bill version, AB 2024 would increase total net annual expenditures by \$43,742,000, or 0.0293%, for commercial/CalPERS enrollees in DMHC-regulated plans and CDI-regulated policies. Based on the June 15, 2022 bill version, CHBRP indicates, “the amended language would allow cost sharing for some – or perhaps all - enrollees in plans or policies with an annual deductible of \$1,400 or more per year. CHBRP’s fiscal and public health analysis remains directionally correct. However, if the amended language would exempt all HDHPs, impacts could be lower for 22% of commercial enrollees. If the amended language would exempt only HDHPs associated with health savings accounts (HSAs), impacts would be lower for 6% of commercial enrollees. All other portions of CHBRP’s analysis remain relevant. The amended language also adds an Insurance Code reference to self-insured employee welfare benefit plans. As CDI does not regulate such plans, the impact of the addition is unclear.”

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