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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair  
2021 - 2022 Regular Session

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### AB 2134 (Akilah Weber) - Reproductive health care

**Version:** June 23, 2022

**Urgency:** No

**Hearing Date:** August 1, 2022

**Policy Vote:** HEALTH 8 - 1, JUD. 9 - 1

**Mandate:** Yes

**Consultant:** Agnes Lee

**Bill Summary:** AB 2134 would establish the California Reproductive Health Equity Program (Program) within the Department of Health Care Access and Information (HCAI) for the purpose of providing grant funding to safety net providers of abortion and contraception services, as specified. The bill would require health plans and health insurers that provide coverage to employees of a religious employer, which do not include coverage and benefits for abortion and contraception, to provide enrollees with information regarding that lack of coverage and that services are available. The bill would require the Department of Industrial Relations (DIR) to post information regarding the Program on its website, as specified.

#### **Fiscal Impact:**

- Unknown General Fund costs, potentially tens of millions of dollars, to provide the grant funding. By creating a continuously appropriated fund, the bill would make an appropriation.
- HCAI estimates state operations costs of approximately \$2 million General Fund over three years for a vendor to administer the program and \$37,530 - \$75,060 General Fund for staff to develop the contract and oversee the vendor.
- Minor and absorbable costs to DIR, Department of Managed Health Care (DMHC) and CA Department of Insurance (CDI).

#### **Background:**

Existing law establishes the DMHC to regulate health plans under the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene Act) and the CDI to regulate health and other insurance. In California, the Knox Keene Act requires the provision of basic health care services, and the California Constitution prohibits health plans from discriminating against women who choose to terminate a pregnancy. Thus, these health plans must treat maternity services and legal abortion neutrally. A health plan is not required to cover abortions that would be unlawful under existing law. Current law also requires health plans and health insurers, except for a specialized health plan contract or a specialized health insurance policy, to provide coverage for all Food and Drug Administration (FDA) approved contraceptive methods for women, as specified. Religious employers may request a health plan contract or disability insurance policy without coverage for FDA-approved contraceptive methods that are contrary to the religious employer's religious tenets, and requires a health plan contract or disability

insurance policy to be provided without coverage for contraceptive methods, if requested.

The Department of Health Care Services (DHCS) administers the Medi-Cal program, which provides comprehensive medical coverage to low-income persons. The Medi-Cal program uses state funds to cover abortion services and follow-up services for beneficiaries. The Medi-Cal program covers abortions as a physician service without cost sharing for all enrollees. The Family PACT program, also administered by DHCS, provides comprehensive clinical family planning services and sexually transmitted disease (STD) screening and treatment to low income persons. The Department of Health Care Access and Information (HCAI) conducts a number activities related to workforce development, health planning, and data collection.

**Proposed Law:** Specific provisions of the bill would:

- Establish the California Reproductive Health Equity Program (Program) within HCAI; and state the purpose of the program is to ensure abortion and contraception are affordable for and accessible to all patients, regardless of their ability to pay, and to provide financial support for safety net providers of these services to offset the costs of providing uncompensated care to patients with low incomes who would otherwise lack access to care.
- Establish the California Reproductive Health Equity Fund, a continuously appropriated fund, to provide grant funding. The bill would authorize HCAI to receive private donations to be deposited into the fund.
- Require health plans and health insurers that provide coverage to the employees of a religious employer, that does not include coverage and benefits for both abortion and contraception, to provide in writing upon initial enrollment and annually thereafter upon renewal, each enrollee with information regarding both: abortion and contraception benefits or services that are not included in the enrollee's or health plan contract; and abortion and contraception benefits or services that may be available at no cost through the Program.
- Require the DIR to post on its website information regarding abortion and contraception benefits that may be available at no cost through Program to employees whose employer-sponsored health coverage does not include coverage for both abortion and contraception.

**Staff Comments:** The 2022-23 Budget adopted in June includes one-time General Fund of \$40,000,000 to establish and administer an uncompensated care fund for abortion services for individuals below 400 percent of the federal poverty level.

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