

---

UNFINISHED BUSINESS

---

Bill No: SB 595  
Author: Roth (D)  
Amended: 6/29/23  
Vote: 21

---

SENATE HEALTH COMMITTEE: 11-0, 3/22/23  
AYES: Eggman, Nguyen, Glazer, Gonzalez, Hurtado, Limón, Menjivar, Roth,  
Rubio, Wahab, Wiener  
NO VOTE RECORDED: Grove

SENATE JUDICIARY COMMITTEE: 10-0, 4/11/23  
AYES: Umberg, Wilk, Allen, Ashby, Durazo, Laird, McGuire, Min, Niello,  
Wiener  
NO VOTE RECORDED: Stern

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 40-0, 5/22/23  
AYES: Allen, Alvarado-Gil, Archuleta, Ashby, Atkins, Becker, Blakespear,  
Bradford, Caballero, Cortese, Dahle, Dodd, Durazo, Eggman, Glazer, Gonzalez,  
Grove, Hurtado, Jones, Laird, Limón, McGuire, Menjivar, Min, Newman,  
Nguyen, Niello, Ochoa Bogh, Padilla, Portantino, Roth, Rubio, Seyarto, Skinner,  
Smallwood-Cuevas, Stern, Umberg, Wahab, Wiener, Wilk

ASSEMBLY FLOOR: 73-0, 8/24/23 (Consent) - See last page for vote

---

**SUBJECT:** Covered California: data sharing

**SOURCE:** California Pan-Ethnic Health Network  
Health Access California  
Western Center on Law and Poverty

---

**DIGEST:** This bill clarifies that Covered California is only prohibited from disclosing personal information obtained from the Employment Development

Department (EDD) without first obtaining consent of the applicant when disclosure is to a certified insurance agent or a certified enrollment counselor for the purpose of communicating about the availability of health coverage through Covered California. This bill requires a person or entity that receives this personal information take reasonable measures to safeguard the confidentiality of any personal information prohibits use or disclose for any purpose other than to market and publicize the availability of health care coverage through Covered California to individuals, as directed by Covered California.

*Assembly Amendments:*

- 1) Authorize Covered California to use any contact method that is intended to reach the person at their residence or other personal contact channel;
- 2) Authorize Covered California to disclose information obtained from EDD to outreach and marketing vendors under contract with Covered California;
- 3) Prohibit Covered California from disclosing information obtained from EDD to any other entity without consent of the applicant;
- 4) Require any outreach and marketing conducted pursuant to this bill to include a conspicuous and easy to access manner, the ability to decline future outreach and marketing;
- 5) Require Covered California to only request from EDD, use, or disclose the minimum amount of information necessary to accomplish the purpose for which it was obtained;
- 6) Require a person or entity to only request from Covered California, use, or disclose the minimum amount of information necessary to accomplish the purposes for which it was received;
- 7) Require information received by Covered California from EDD to be destroyed in a manner that maintains confidentiality; and,
- 8) Require Covered California to ensure that information disclosed to outreach and marketing vendors or any other entity pursuant to this bill complies with this bill.

**ANALYSIS:**

## Existing law:

- 1) Establishes Covered California as California's health benefit exchange for individual and small business purchasers as authorized under the federal Patient Protection and Affordable Care Act (ACA). [GOV §100500 -100522]
- 2) Establishes a system of unemployment administered by the EDD. [UIC §100, et seq.]
- 3) Requires the EDD director to permit the use of any information in the director's possession to the extent necessary to enable federal, state, or local governmental departments or agencies, to verify or determine the eligibility or entitlement of any applicant for, or a recipient of, public social services, as specified, when the verification or determination is directly connected with, and limited to, the administration of public social services. [UIC §1095]
- 4) Requires Covered California to request information, on at least a monthly basis, from EDD for each new applicant for unemployment compensation, state disability, and paid family leave so that Covered California can communicate with and inform those individuals of available health care coverage options through Covered California and assist those individuals in obtaining health care coverage. [GOV §100503.9]
- 5) Prohibits Covered California from disclosing personal information obtained from EDD without the consent of the applicant. Requires Covered California to at all times take reasonable measures to safeguard the confidentiality of any personal information obtained by EDD and not disclose that information for any purposes other than to market and publicize the availability of health care coverage, and, requires this personal information to at all times be subject to applicable privacy and information security-related requirements arising under federal and state law. [GOV §100503.9]

## This bill:

- 1) Authorizes Covered California to use any contact method that is intended to reach the person at their residence or other personal contact channel to communicate with and inform an individual whose contact information is received from EDD about health care coverage options, as specified.
- 2) Authorizes Covered California to disclose information obtained from EDD to outreach and marketing vendors under contract with Covered California.

- 3) Prohibits Covered California from disclosing information obtained from EDD to a certified insurance agent, a certified enrollment counselor, or any other entity without consent of the applicant.
- 4) Requires any outreach and marketing conducted pursuant to this bill to include a conspicuous and easy to access manner, the ability to decline future outreach and marketing.
- 5) Requires Covered California to only request from EDD, use, or disclose the minimum amount of information necessary to accomplish the purpose for which it was obtained.
- 6) Requires a person or entity that receives personal information from Covered California pursuant to this bill to at all times take all necessary measures to safeguard the confidentiality of any personal information obtained from Covered California and is prohibited from using or disclosing that information for any purpose other than to market and publicize the availability of health care coverage through Covered California to individuals, as directed by the Covered California.
- 7) Requires a person or entity to only request from Covered California, use, or disclose the minimum amount of information necessary to accomplish the purposes for which it was received.
- 8) Requires information received by Covered California from EDD to be destroyed in a manner that maintains confidentiality.
- 9) Requires Covered California to ensure that information disclosed to outreach and marketing vendors or any other entity pursuant to this bill complies with this bill.

## Comments

- 1) *Author's statement.* According to the author, access to information regarding health insurance options is one of the primary barriers to achieving universal healthcare coverage in the state, especially as Californians experience transitions in employment and income. Last year, SB 644 (Leyva, Chapter 983, Statutes of 2022) was passed and established a vital partnership between Covered California and EDD for the purpose of conducting direct outreach on affordable healthcare coverage options to community members who applied for unemployment insurance, or other EDD programs. However, after signing SB 644 into law, the Governor called on the Legislature to introduce follow-up legislation to ensure that the provisions of the bill enable timely communication

to individuals to reduce burdens of applying for health insurance and to minimize gaps in coverage. This bill will do just that. This bill will ensure greater accessibility to health insurance for Californians, regardless of their employment status.

- 2) *SB 644*. SB 644 required Covered California to request information from the EDD for each applicant for unemployment compensation, state disability, paid family leave, or any other program administered by EDD so that Covered California can communicate with and inform those individuals of available health care coverage options through Covered California and assist those individuals in obtaining health care coverage. SB 644 contained a provision that requires consent of the applicant prior to disclosing applicant information for the purposes of the bill. The Governor's signing message associated with SB 644 states:

I am signing Senate Bill 644, which enhances partnership between Covered California and the Employment Development Department by enabling Covered California to conduct proactive and targeted outreach to applicants of unemployment insurance and other benefits. In doing so, this legislation provides Californians with important and timely information about affordable health coverage options when they may need it the most. To ensure Covered California can effectively reach Californians, and to maximize the important impact SB 644 can have to keep Californians in need covered, I strongly encourage Covered California and the Legislature to work together on subsequent legislation next year to ensure that the provisions of the bill enable timely communication to individuals to reduce burdens of applying for health care and minimize gaps in coverage.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

According to the Assembly Appropriations Committee, there are minimal state costs, if any. Covered California reports that its costs will be minor and absorbable. EDD estimates possible staffing costs if its data sharing contract with Covered California must be updated. If these costs occur, they will likely be less than \$150,000.

**SUPPORT:** (Verified 8/24/23)

California Pan-Ethnic Health Network (co-source)  
Health Access California (co-source)

Western Center on Law and Poverty (co-source)  
Buen Vecino  
California Rural Legal Assistance Foundation, Inc.  
Central Valley Immigrant Integration Collaborative  
Coalition of California Welfare Rights Organizations  
Courage California  
Latino Coalition for a Healthy California  
Maternal and Child Health Access  
Multi-Ethnic Collaborative of Community Agencies  
National Health Law Program  
Small Business Majority  
South Asian Network  
The Children's Partnership

**OPPOSITION:** (Verified 8/24/23)

None received

**ARGUMENTS IN SUPPORT:** The bill's sponsors and proponents write that current statute limits Covered California's ability to send outreach materials to Californians in need, as it would require the agency's contracted vendors to obtain individual consent prior to contacting individuals. This bill would add clarifying language that allows Covered California to outreach while protecting individuals from receiving cold calls from insurance agents and enrollment counselors without individual consent. The National Health Law Program writes that one of the top hurdles to achieving universal health coverage is making sure Californians are aware of their insurance options, especially as they experience transitions in employment. Last year, SB 644 (Leyva) was passed and established a vital partnership between Covered CA and the EDD for the purpose of conducting direct outreach on affordable health coverage options to community members who applied for unemployment insurance or other EDD programs. However, current statute limits Covered California's ability to send outreach materials to Californians in need, as it would require the agency's contracted vendors to obtain individual consent prior to contacting individuals. This bill would add clarifying language that allows Covered California to outreach while protecting individuals from receiving cold calls from insurance agents and enrollment counselors who do not have individual consent.

**ASSEMBLY FLOOR:** 73-0, 8/24/23

**AYES:** Addis, Aguiar-Curry, Alanis, Alvarez, Arambula, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bryan, Calderon, Juan Carrillo, Wendy Carrillo,

Cervantes, Chen, Connolly, Megan Dahle, Davies, Dixon, Essayli, Flora, Mike Fong, Vince Fong, Friedman, Gabriel, Gipson, Grayson, Haney, Hart, Holden, Hoover, Irwin, Jackson, Kalra, Lackey, Lee, Low, Lowenthal, Mathis, McCarty, Muratsuchi, Stephanie Nguyen, Ortega, Pacheco, Papan, Jim Patterson, Joe Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Rendon, Reyes, Luz Rivas, Rodriguez, Blanca Rubio, Sanchez, Santiago, Schiavo, Soria, Ta, Ting, Valencia, Villapudua, Waldron, Wallis, Weber, Wicks, Wilson, Wood, Zbur, Robert Rivas

NO VOTE RECORDED: Bonta, Gallagher, Garcia, Jones-Sawyer, Maienschein, McKinnor, Ward

Prepared by: Teri Boughton / HEALTH / (916) 651-4111  
8/25/23 13:44:33

\*\*\*\* END \*\*\*\*