

# California Health Benefits Review Program

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Resource:

Health Insurance Benefit Mandates in  
California State and Federal Law

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# ABOUT THIS RESOURCE

The California Health Benefits Review Program (CHBRP) responds to requests from the California Legislature to provide independent analysis of the medical, financial, and public health impacts of proposed health insurance benefit mandates and repeals.<sup>1,2</sup> This document has been prepared by CHBRP to inform interested parties of existing state and federal health insurance benefit mandate laws that may relate to the subject or purpose of a proposed state health insurance benefit mandate or repeal bill.

This document includes the following:

- Table 1. California Health Insurance Benefit Mandates (by Topic)
- Table 2. California Mandates with Sunset or Contingency Language
- Table 3. Federal Health Insurance Benefit Mandates
- Appendix A. Explanation of Table Terms and Categories
- Appendix B. Discussion of Basic Health Care Services
- Appendix C. California Mandates (by Health and Safety Code Section)
- Appendix D. California Mandates (by Insurance Code Section)

## Benefit Mandate Categories

CHBRP defines health insurance benefit mandates through the lens of its authorizing statute.<sup>3</sup> Therefore, the mandates listed in Tables 1 and 2 fall into one or more of the following categories: (a) offer or provide coverage for the screening, diagnosis, or treatment of specific diseases or conditions; (b) offer or provide coverage for types of health care treatments or services, including coverage of medical equipment, supplies, or drugs used in a treatment or service; (c) offer or provide coverage permitting treatment or services from a specific type of health care provider; and/or (d) specify terms (limits, timeframes, copayments, deductibles, coinsurance, etc.) for any of the other categories. Table 1 includes California's state health insurance benefit mandate laws, and Table 2 includes federal health insurance benefit mandate laws.

## Information Included for Listed Mandates

Table 1 identifies relevant California statutes. The table specifies when the law mandates *an offer* of coverage for the benefit. The table also identifies which health insurance markets (group and/or individual) are subject to the mandate. Explanations of these terms are provided in Appendix A.

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<sup>1</sup> Additional information about CHBRP is available at: [www.chbrp.org](http://www.chbrp.org).

<sup>2</sup> Although CHBRP assesses the impacts of bills, not existing laws, CHBRP's analysis of Assembly Bill 1904 (2010) required a review of mandate laws current at that time. That report and all other CHBRP analyses are available at: [www.chbrp.org/completed\\_analyses/index.php](http://www.chbrp.org/completed_analyses/index.php).

<sup>3</sup> Available at: [http://chbrp.com/about\\_chbrp/faqs/index.php](http://chbrp.com/about_chbrp/faqs/index.php).

Table 2 lists California benefit mandate statutes that contain either a sunset clause or contingency language. Sunset clauses specify that the law will no longer be in effect after the listed date. Contingency language specifies that the state law is in effect only so long as a federal law is in effect, or only if federal rulings do not indicate that some or all of the state law would exceed essential health benefits (EHBs).

Table 3 identifies relevant federal statutes, both those in existence prior to passage of the Affordable Care Act (ACA)<sup>4</sup> as well as federal benefit mandates contained in the ACA. Like Table 1, Table 3 identifies the health insurance markets subject to the mandate. Because none of the federal mandates are mandates to *offer* coverage, this information is not included in Table 2.

## Key Facts

- **Applicability of mandate laws:** Not all health insurance is subject to state health insurance benefit mandate laws. CHBRP annually posts estimates of Californians' sources of health insurance, including figures for the numbers of Californians with health insurance subject to state benefit mandates.<sup>5</sup>
- **California insurance regulation:** California has a bifurcated legal and regulatory system for health insurance products. The Department of Managed Health Care (DMHC) regulates health care service plan contracts, which are subject to the Health and Safety Code. The California Department of Insurance (CDI) regulates health insurance policies, which are subject to the California Insurance Code. DMHC-regulated plan contracts and CDI-regulated policies may be subject to state benefit mandate laws, depending upon the exact wording of the law.
- **Federal benefit mandates:** Federal benefit mandates can apply more broadly than state benefit mandates. For example, federal benefit mandates, unlike state mandates, may apply to Medicare or to self-insured plans. Table 3 only lists federal benefit mandate laws that are applicable to DMHC-regulated plans and CDI-regulated policies, which are also under the purview of state law.
- **Federal-state mandate overlap:** DMHC-regulated plans and CDI-regulated policies may be subject to both state and federal benefit mandate laws. Federal benefit mandates may interact or overlap with state benefit mandates, as in the case of mammography benefits. In addition, state laws that duplicate federal laws allow state-level regulators explicit authority to implement them, as in the case of Essential Health Benefits (EHBs). Some known interactions are noted in the footnotes for Table 1.
- **DMHC rules:** DMHC-regulated health plans are subject to “minimum benefit” laws and regulations, also known as “Basic Health Care Services,” that may interact or overlap with state benefit mandate laws. The Basic Health Care Services requirement for DMHC-regulated health plans is noted in Table 1 and further explained in Appendix B.

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<sup>4</sup> The federal “Patient Protection and Affordable Care Act” (P.L.111-148) and the “Health Care and Education Reconciliation Act” (P.L. 111-152) were enacted in March 2010. Together, these laws are referred to as the Affordable Care Act (ACA).

<sup>5</sup> Available at: [www.chbrp.org/other\\_publications/index.php](http://www.chbrp.org/other_publications/index.php).

**Table 1. California Health Insurance Benefit Mandates<sup>6</sup> (by Topic)**

#	Topic	California Health and Safety Code (DMHC)	California Insurance Code (CDI)	Mandate to Offer? <sup>7</sup>	Markets (regulated by DMHC or CDI) Subject to the Mandate	Mandate Category
<b>DMHC-Regulated Health Care Service Plan “Basic Health Care Services” (BHCS)</b>						
0	Health Plans regulated by the Department of Managed Health Care (DMHC) are required to cover medically necessary basic health care services, including: (1) Physician services; (2) Hospital inpatient services and ambulatory care services; (3) Diagnostic laboratory and diagnostic and therapeutic radiologic services; (4) Home health services; (5) Preventive health services; (6) Emergency health care services, including ambulance and ambulance transport services, out-of-area coverage, and ambulance transport services provided through the 911 emergency response system; (7) Hospice care. See Appendix B for further details.	Multiple Sections - See Appendix B	N/A <sup>8</sup>		Group and Individual	Not a distinct mandate
<b>Essential Health Benefits</b>						
1	A federal mandate that requires some plans and policies to cover essential health benefits (EHBs) and places limits on cost sharing. The state statutes listed in this row define EHBs and cost sharing for California. <sup>9,10</sup> (also see Table 2)	1367.005 1367.006	10112.27 10112.28		Small Group and Individual <sup>11</sup>  In 2017, Large Group sold via Covered California <sup>12</sup>	a, b, d
<b>Cancer Benefit Mandates – also see row 36 under “Outpatient Prescription Drug Benefit Mandates”</b>						
2	Breast cancer screening, diagnosis, and treatment	1367.6	10123.8		Not Specified	a
3	Cancer screening tests	1367.665	10123.20		Group and Individual	b
4	Cervical cancer screening	1367.66	10123.18		Group and Individual	a
5	Mammography	1367.65	10123.81		Not Specified	a, c
6	Mastectomy and lymph node dissection (length of stay, complications, prostheses, reconstructive surgery)	1367.635	10123.86		Not Specified	b, d
7	Patient care related to clinical trials for cancer	1370.6	10145.4		Not Specified	d

<sup>6</sup> Defined per CHBRP’s authorizing statute, available at: [http://chbrp.com/about\\_chbrp/faqs/index.php](http://chbrp.com/about_chbrp/faqs/index.php)

<sup>7</sup> “Mandate to offer” indicates that all health care service plans and health insurers selling health insurance subject to the benefit mandate are required to *offer* coverage for the benefit. The health plan or insurer may comply (1) by including coverage for the benefit as standard in its health insurance products or (2) by offering coverage for the benefit separately and at an additional cost (e.g., a rider). See Appendix A.

<sup>8</sup> N/A indicates that the benefit mandate does not apply to products governed under the specified code.

<sup>9</sup> Affordable Care Act (ACA), Section 1301, 1302, and Section 1201 modifying Section 2707 of the Public Health Service Act (PHSA). See Table 2 below.

<sup>10</sup> Review report: *California’s State Benefits Mandates and the Affordable Care Act’s “Essential Health Benefits*, available at: [www.chbrp.org/other\\_publications/index.php](http://www.chbrp.org/other_publications/index.php).

<sup>11</sup> The EHB coverage requirement applies to nongrandfathered plans and policies sold outside of the exchange as well as to qualified health plans (QHPs, see ACA Section 1301) certified by and sold via a health insurance exchange.

<sup>12</sup> Effective 2017, states may allow large-group market qualified health plans (QHPs, see ACA Section 1301) to be certified by and sold via an exchange [ACA Section 1312(f)(2)(B)]. Large-group QHPs would be subject the EHB coverage requirement.

**Table 1. California Health Insurance Benefit Mandates<sup>6</sup> (by Topic)**

#	Topic	California Health and Safety Code (DMHC)	California Insurance Code (CDI)	Mandate to Offer? <sup>7</sup>	Markets (regulated by DMHC or CDI) Subject to the Mandate	Mandate Category
8	Prostate cancer screening	1367.64	10123.835		Group and Individual	a
<b>Chronic Conditions Benefit Mandates – also see row 37 under “Outpatient Prescription Drug Benefit Mandates”</b>						
9	Diabetes education	N/A	10176.6	Offer	Not Specified (CDI)	a
10	Diabetes education, management, and treatment	1367.51	10176.61		Not Specified	a, b, d
11	HIV/AIDS, AIDS vaccine	1367.45	10145.2		Group and Individual (DMHC), Not Specified (CDI)	a
12	HIV/AIDS, HIV Testing	1367.46	10123.91		Group and Individual	a
13	HIV/AIDS, Transplantation services for persons with HIV	1374.17	10123.21		Not Specified	d
14	Osteoporosis	1367.67	10123.185		Not Specified	a
15	Phenylketonuria	1374.56	10123.89		Not Specified	a
<b>Hospice &amp; Home Health Care Benefit Mandates</b>						
16	Dementing illness exclusion prohibition	1373.14	10123.16		Group and Individual	a, d
17	Home health care	1374.10 (non-HMOs only)	10123.10	Offer	Group	b, d
18	Hospice care	1368.2	N/A		Group (DMHC)	b
<b>Mental Health Benefit Mandates</b>						
19	Alcohol and drug exclusion prohibition	N/A	10369.12		Group (CDI)	d
20	Alcoholism treatment	1367.2(a)	10123.6	Offer	Group	a
21	Behavioral health treatment for autism and related disorders (also see Table 2)	1374.73	10144.51 10144.52		Not Specified	b
22	Care provided by a psychiatric health facility	1373(h)(1)	N/A		Not Specified (DMHC)	b, d
23	Coverage and premiums for persons with physical or mental impairment	1367.8	10144		Group and Individual	a, d
24	Coverage for mental and nervous disorders, including care provided by a psychiatric health facility	N/A	10125	Offer	Group (CDI)	a
25	Coverage for persons with physical handicap	N/A	10122.1	Offer	Group (CDI)	a, d
26	Coverage for severe mental illnesses (in parity with coverage for other medical conditions)	1374.72	10144.5 10123.15		Not Specified	a, b, d
27	Coverage for mental health and substance use disorder in compliance with federal law. <sup>13</sup>	1374.76	10144.4		Group and Individual	a, b, d
28	Nicotine or chemical dependency treatment in licensed alcoholism or chemical dependency facilities	1367.2(b)	10123.6	Offer	Group	b, d
29	Prohibition of Lifetime Waiver for Mental Health Services	1374.5	10176(f)		Individual	a, d
30	Prohibition on Determining Reimbursement Eligibility from Inpatient Admission Status	1374.51	10144.6		Not Specified	d

<sup>13</sup> ACA Section 1311(j) and Section 1563(c)(4) modifying Section 2726 of the Public Health Services Act (PHSA). See Table 3 below.

**Table 1. California Health Insurance Benefit Mandates<sup>6</sup> (by Topic)**

#	Topic	California Health and Safety Code (DMHC)	California Insurance Code (CDI)	Mandate to Offer? <sup>7</sup>	Markets (regulated by DMHC or CDI) Subject to the Mandate	Mandate Category
<b>Orthotics &amp; Prosthetics Benefit Mandates</b>						
31	Orthotic and prosthetic devices and services	1367.18	10123.7	Offer	Group	b
32	Prosthetic devices for laryngectomy	1367.61	10123.82		Not Specified	b
33	Special footwear for persons suffering from foot disfigurement	1367.19	10123.141	Offer	Group	b
<b>Outpatient Drug Benefit Mandates</b>						
34	Authorization for nonformulary prescription drugs	1367.24	N/A		Not Specified (DMHC)	d
35	Oral anticancer medication cost-sharing limits (also see Table 2)	1367.656	10123.206		Group and Individual	d
36	Prescription Cost Sharing – includes HIV/AIDS-specific requirements (also see Table 2)	1342.71 1342.72 1342.73 1367.205 1367.41 1367.42 1367.47	10123.192 10123.193 10123.1931 10123.1932 10123.201 10123.65		Varied: Not Specified or Small Group and Individual	b, d
37	Prescription drugs: coverage for previously prescribed drugs	1367.22	N/A		Not Specified (DMHC)	d
38	Prescription drugs: coverage of “off-label” use	1367.21	10123.195		Not Specified (DMHC), Group and Individual (CDI)	d
39	Prescription drugs: prorating cost sharing for partial fill for Schedule II controlled substance	1367.43	10123.203		Not specified	d
40	Prior authorization requests for prescription drugs	1367.241	10123.191		Not Specified	d
41	Step Therapy	1367.244	10123.197		Not Specified	d
<b>Pain Management Benefit Mandates</b>						
42	Acupuncture	1373.10 (non-HMOs only)	10127.3	Offer	Group	c, d
43	General anesthesia for dental procedures	1367.71	10119.9		Not Specified	b
44	Pain management medication for terminally ill	1367.215	N/A		Not Specified (DMHC)	b
<b>Pediatric Care Benefit Mandates</b>						
45	Asthma management	1367.06	N/A		Not Specified (DMHC)	a
46	Comprehensive preventive care for children aged 16 years or younger	1367.35	10123.5		Group	b
47	Comprehensive preventive care for children aged 17 or 18 years	1367.3	10123.55	Offer	Group	b
48	Coverage for the effects of diethylstilbestrol	1367.9	10119.7		Not Specified	a
49	Screening children at risk for lead poisoning for blood lead levels	1367.3(b)(2)(D)	10123.5 10123.55		Group (DMHC), Group (CDI)	b

**Table 1. California Health Insurance Benefit Mandates<sup>6</sup> (by Topic)**

#	Topic	California Health and Safety Code (DMHC)	California Insurance Code (CDI)	Mandate to Offer? <sup>7</sup>	Markets (regulated by DMHC or CDI) Subject to the Mandate	Mandate Category
50	Screening children for blood lead levels	N/A	10119.8	Offer	Individual	b
<b>Provider Reimbursement Mandates</b>						
51	Emergency 911 transportation <sup>14</sup>	1371.5	10126.6		Not Specified	d
52	Licensed or certified providers	1367(b)	N/A		Not Specified	c, d
53	Medical transportation services – direct reimbursement	1367.11	10126.6		Not Specified	d
54	OB-GYNs as primary care providers <sup>15</sup>	1367.69 1367.695	10123.83 10123.84		Not Specified	c, d
55	Pharmacists – compensation for services within their scope of practice	1368.5	10125.1	Offer	Not Specified	c, d
<b>Reproductive Benefit Mandates</b>						
56	Contraceptive devices and sterilization, and contraceptive education and counseling	1367.25	10123.196		Group and Individual	b
57	Contraceptive devices requiring a prescription	1367.25	10123.196		Group and Individual	b
58	Infertility treatments	1374.55	10119.6	Offer	Group	a, b, d
59	Maternity services	N/A	10123.865 10123.866		Group and Individual (CDI)	b
60	Maternity – amount of copayment or deductible for inpatient services	1373.4	10119.5		Not Specified	d
61	Maternity – minimum length of stay <sup>16</sup>	1367.62	10123.87		Not Specified (DMHC), Group and Individual (CDI)	d
62	Maternal mental health	1367.625	10123.867		Not Specified	a
63	Participation in the statewide prenatal testing Expanded Alpha Feto Protein (AFP) program	1367.54	10123.184		Group and Individual	b
64	Prenatal diagnosis of genetic disorders	1367.7	10123.9	Offer	Group	b
65	Annual supply of self-administered hormonal contraceptives	1367.25	10123.196		Not Specified	d
66	Reproductive health care services	1367.31	10123.202		Not Specified	d
<b>Sterilization</b>						
67	Sterilization rationale exclusion prohibition	1373(b)	10120		Not Specified	d

<sup>14</sup> The ACA (Section 1001 modifying Section 2719A of the PHSA) imposes a related requirement regarding coverage and cost-sharing for emergency services. Grandfathered health plans (ACA Section 1251) are not subject to this requirement. See Table 3 below.

<sup>15</sup> The ACA (Section 1001 modifying Section 2719A of the PHSA) imposes a similar requirement prohibiting prior authorization for access to OB-GYNs. Grandfathered health plans (ACA Section 1251) are not subject to this requirement. See Table 3 below.

<sup>16</sup> The federal Newborns’ and Mothers’ Health Protection Act of 1996 requires coverage for a minimum length of stay in a hospital after delivery *if* the plan covers maternity services. See Table 3 below.

**Table 1. California Health Insurance Benefit Mandates<sup>6</sup> (by Topic)**

#	Topic	California Health and Safety Code (DMHC)	California Insurance Code (CDI)	Mandate to Offer? <sup>7</sup>	Markets (regulated by DMHC or CDI) Subject to the Mandate	Mandate Category
<b>Surgery Benefit Mandates</b>						
68	Jawbone or associated bone joints	1367.68	10123.21		Not Specified (DMHC), Group and Individual (CDI)	a
69	Reconstructive surgery <sup>17</sup>	1367.63	10123.88		Not Specified	b
<b>Other Benefit Mandates</b>						
70	Blindness or partial blindness exclusion prohibition	1367.4	10145		Group and Individual	a, d
71	Family Cost Sharing Limits (also see Table 2)	1367.006 1367.007	10112.28 10112.29		Varied: Large Group, Small Group, Individual	d
72	Preventive services without cost sharing (in compliance with federal laws and regulations) <sup>18</sup> (also see Table 2)	1367.002	10112.2		Group and Individual	b, d
73	Second opinions	N/A	10123.68		Not Specified (CDI)	c
74	Out-of-network coverage	1371.9 <sup>19</sup>	10112.8 <sup>20</sup>		Not Specified	d

**Table 2. California Mandates with a Sunset or Contingency Clause in Existing Code (by Topic)**

#	Topic	California Health and Safety Code (DMHC)	California Insurance Code (CDI)	Disabling Clause (Type and Language)
<b>Essential Health Benefits</b>				
1	Essential health benefits (EHBs) and cost sharing for California. <sup>21,22</sup>	1367.005 1367.006 1367.0065	10112.27 10112.28 10112.285	CONTINGENCY – 1367.005(k) and 10112.27(k): “This section shall be implemented only to the extent essential health benefits are required pursuant to the PPACA.”

<sup>17</sup> The federal Women’s Health and Cancer Rights Act of 1998 requires coverage for post mastectomy reconstructive surgery. See Table 3 below. s

<sup>18</sup> ACA, Section 1001 modifying Section 2713 of the PHSA. See Table 3 below.

<sup>19</sup> Out-of-network coverage also amended 1371.30 (regarding an independent dispute resolution process) and 1371.31 (regarding average contracted rates) of the Health and Safety Code. The table references the section most closely tied to the benefit mandate (1371.9).

<sup>20</sup> Out-of-network coverage also amended 10112.81 (regarding an independent dispute resolution process) and 10112.82 (regarding average contracted rates) of the Insurance Code. The table references the section most closely tied to the benefit mandate (10112.8).

<sup>21</sup> Affordable Care Act (ACA), Section 1301, 1302, and Section 1201 modifying Section 2707 of the Public Health Service Act (PHSA).

<sup>22</sup> Review report: *California’s State Benefits Mandates and the Affordable Care Act’s “Essential Health Benefits*, available at: [www.chbrp.org/other\\_publications/index.php](http://www.chbrp.org/other_publications/index.php).



**Table 2. California Mandates with a Sunset or Contingency Clause in Existing Code (by Topic)**

#	Topic	California Health and Safety Code (DMHC)	California Insurance Code (CDI)	Disabling Clause (Type and Language)
<b>Cancer Benefit Mandates</b>				
2	Oral anticancer medication cost-sharing limits	1367.656	10123.206	SUNSET – 1367.656(b) and 10123.206(b): “This section shall remain in effect only until January 1, 2024, and as of that date is repealed.”
<b>Chronic Conditions Benefit Mandates</b>				
3	HIV/AIDS, antiretroviral drug treatments	1342.72	10123.1931	SUNSET – 1342.72(c) and 10123.1931(b): “This section shall remain in effect only until January 1, 2023, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2023, deletes or extends that date.”
<b>Mental Health Benefit Mandates</b>				
4	Behavioral health treatment for autism and related disorders	1374.73	10144.51 10144.52	CONTINGENCY – 1374.73(a)(2) and 10144.51(a)(2): “[This] section does not require any benefits to be provided that exceed the essential health benefits that all health insurers will be required by federal regulations to provide under Section 1302(b) of the federal Patient Protection and Affordable Care Act.”
<b>Outpatient Drug Benefit Mandates</b>				
5	Prescription cost sharing	1342.71 1342.73 1367.205 1367.41 1367.42	10123.192 10123.193 10123.1932 10123.201	SUNSET – 1342.73(d) and 10123.1932(c): “This section shall remain in effect only until January 1, 2024, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2024, deletes or extends that date.”
<b>Other Benefit Mandates</b>				
6	Family Cost Sharing Limits	1367.006 1367.007	10112.28 10112.29	CONTINGENCY – 1367.006(c)(2) and 10112.28(c)(2): “The [annual out-of-pocket] limit shall result in a total maximum out-of-pocket limit for all covered essential health benefits equal to the dollar amounts in effect under Section 223(c)(2)(A)(ii) of the Internal Revenue Code of 1986 with the dollar amounts adjusted as specified in Section 1302(c)(1)(B) of PPACA.”  CONTINGENCY – 1367.007(a)(2) and 10112.29(a)(2): “The dollar amounts [of the small employer deductible] shall be indexed consistent with Section 1302(c)(4) of PPACA and any federal rules or guidance pursuant to that section.”
7	Preventive services without cost sharing (in compliance with federal laws and regulations) <sup>23</sup>	1367.002	10112.2	CONTINGENCY - 1367.002 and 10112.2: “To the extent required by federal law, a group or individual [health plan shall] comply with Section 2713 of the federal Public Health Service Act [as added by] Section 1001 of the federal Patient Protection and Affordable Care Act.”

<sup>23</sup>ACA, Section 1001 modifying Section 2713 of the PHSA.

**Table 3. Federal Health Insurance Benefit Mandates<sup>24</sup>**

#	Federal Law	Topic Addressed by Benefit Coverage Mandate <sup>25</sup>	Markets Subject to the Mandate <sup>26</sup>	Mandate Category
<b>Federal Mandates in Existence Prior to the Passage of the Affordable Care Act of 2010 (ACA)</b>				
1	Pregnancy Discrimination Act of 1978 amending Title VII of the federal Civil Rights Act	Requires coverage for pregnancy and requires the coverage be in parity with other benefit coverage.	Group (15 or more)	d
2	Newborns' and Mothers' Health Protection Act of 1996	If maternity is covered, requires that coverage include at least a 48-hour hospital stay following childbirth (96-hour stay in the case of a cesarean section).	Group	d
3	Women's Health and Cancer Rights Act of 1998	If mastectomy is covered, requires coverage for certain reconstructive surgery and other postmastectomy treatments and services.	Group	b
4	Mental Health Parity and Addiction Equity Act of 2008, modified by the Affordable Care Act of 2010 [ACA Section 1311(j) and Section 1563(c)(4) modifying Section 2726 of the Public Health Services Act (PHSA)]	If mental health or substance use disorder (MH/SUD) services are covered, requires that cost-sharing terms and treatment limits be no more restrictive than the predominant terms or limits applied to medical/surgical benefits. <sup>27</sup>	Group and Individual	d
<b>Federal Mandates in the Affordable Care Act of 2010 (ACA)</b>				
5	Section 1001 modifying Section 2711 of the PHSA	Prohibits lifetime and annual limits on the dollar value of benefits. <sup>28</sup>	Group and Individual	d

<sup>24</sup> CHBRP defines health insurance benefit mandates as per its authorizing statute, available at: [http://chbrp.com/about\\_chbrp/faqs/index.php](http://chbrp.com/about_chbrp/faqs/index.php).

<sup>25</sup> All listed federal health insurance benefit mandates are benefit coverage mandates. CHBRP is aware of no federal "mandates to offer."

<sup>26</sup> Unless otherwise noted, the federal mandates in the ACA do not apply to grandfathered health plans (Section 1251).

<sup>27</sup> California law requires compliance with this mandate. See Table 1 above (categorized with "Mental Health Benefit Mandates").

<sup>28</sup> Annual limits and lifetime limits apply to grandfathered plans, with the exception that grandfathered individual market plans are not subject to the prohibitions on annual limits [ACA Section 1251(a)(4)].

**Table 3. Federal Health Insurance Benefit Mandates<sup>24</sup>**

#	Federal Law	Topic Addressed by Benefit Coverage Mandate <sup>25</sup>	Markets Subject to the Mandate <sup>26</sup>	Mandate Category
6	Section 1001 modifying Section 2713 of the PHSA	Preventive services without cost sharing. <sup>29,30</sup> As soon as 12 months after a recommendation appears in any of three sources, benefit coverage is required. The four sources are: <ul style="list-style-type: none"> <li>• ‘A’ and ‘B’ rated recommendations of the United States Preventive Services Task Force (USPSTF)<sup>31</sup>;</li> <li>• Immunizations recommended by the Advisory Committee on Immunization Practices (ACIP) of the Centers for Disease Control and Prevention (CDC)<sup>32</sup>;</li> <li>• For infants, children, and adolescents, evidence-informed preventive care and screenings provided for in the comprehensive guidelines supported by the Health Resources and Services Administration (HRSA)<sup>33</sup>; and</li> <li>• For women, preventive care and screenings provided for in comprehensive guidelines supported by HRSA.<sup>34</sup></li> </ul>	Group and Individual	a, d
7	Section 1001 modifying Section 2719A(b) of the PHSA	If emergency services are covered, requires coverage for these services regardless of whether the participating provider is in or out of network, with the same cost-sharing levels out of network as would be required in network, and without the need for prior authorization.	Group and Individual	d
8	Section 1001 modifying Section 2719A(d) of the PHSA	Prohibits requiring prior authorization or referral before covering services from a participating health care professional who specializes in obstetrics or gynecology.	Group and Individual	d
9	Section 1201 modifying Section 2704 of the PHSA	Prohibits “preexisting condition” benefit coverage denials.	Group and Individual <sup>35</sup>	d

<sup>29</sup> California law requires compliance with this mandate. See Table 1 above (categorized with “Other Benefit Mandates”).

<sup>30</sup> For more information on the preventive services coverage requirement, see CHBRP’s resource, *Federal Preventive Services Benefit Mandate and the California Benefit Mandates*, available at: [www.chbrp.org/other\\_publications/index.php](http://www.chbrp.org/other_publications/index.php).

<sup>31</sup> Available at: <http://www.uspreventiveservicestaskforce.org/Page/Name/uspstf-a-and-b-recommendations/>.

<sup>32</sup> Available at: [www.cdc.gov/vaccines/hcp/acip-recs/index.html](http://www.cdc.gov/vaccines/hcp/acip-recs/index.html).

<sup>33</sup> Regulations published in the Federal Register (Vol. 75, No 137, July 19, 2010) clarified which HRSA guidelines were applicable. The guidelines appear in two charts: Periodicity Schedule of the Bright Futures Recommendations for Pediatric Preventive Health Care, available at: [http://brightfutures.aap.org/clinical\\_practice.html](http://brightfutures.aap.org/clinical_practice.html); and Uniform Panel of the Secretary’s Advisory Committee on Heritable Disorders in Newborns and Children, available at: <http://www.hrsa.gov/advisorycommittees/mchbadvisory/heritabledisorders/recommendedpanel/index.html>.

<sup>34</sup> Available at: <https://www.hrsa.gov/womens-guidelines/index.html>

<sup>35</sup> Applies to grandfathered group market health plans and grandfathered individual market plans [ACA Section 1251(a)(4)].

**Table 3. Federal Health Insurance Benefit Mandates<sup>24</sup>**

#	Federal Law	Topic Addressed by Benefit Coverage Mandate <sup>25</sup>	Markets Subject to the Mandate <sup>26</sup>	Mandate Category
10	Section 1301, 1302, and Section 1201 modifying Section 2707 of the PHSA	Requires coverage of essential health benefits (EHBs), and, for plans and policies that provide coverage for EHBs, and places limits on cost sharing. The 10 EHB categories are: (1) ambulatory patient services; (2) emergency services; (3) hospitalization; (4) maternity and newborn care; (5) mental health and substance use disorder services, including behavioral health treatment; (6) prescription drugs; (7) rehabilitative and habilitative services and devices; (8) laboratory services; (9) preventive and wellness services and chronic disease management; and (10) pediatric services, including oral and vision care. <sup>36</sup>	Small Group and Individual <sup>37</sup>  In 2017, Large Group sold via Covered California <sup>38</sup>	a, b, d

<sup>36</sup> California has laws in place to define EHBs for the state. See Table 1 above (categorized with “Essential Health Benefits”).

<sup>37</sup> The EHB coverage requirement will apply to nongrandfathered plans and policies sold outside of the exchange as well as to qualified health plans (QHPs, see ACA Section 1301) certified by and sold via a health insurance exchange.

<sup>38</sup> Effective 2017, states may allow large-group market qualified health plans (QHPs, see ACA Section 1301) to be certified by and sold via a health insurance exchange [ACA Section 1312(f)(2)(B)]. Large group QHPs would be subject to the EHB coverage requirement.

## Appendix A. Explanation of Table Terms and Categories

**Code:** A health insurance benefit mandate is a law requiring health insurance products (plans and policies) to provide, or in some cases simply to offer, coverage for specified benefits or services. Because California has a bifurcated regulatory system for health insurance products, a benefit mandate law may appear in either of two codes, or in both:

- Health & Safety Code: The California Department of Managed Health Care (DMHC) regulates and licenses health care services plans as per the California Health and Safety Code.<sup>39</sup>
- Insurance Code: The California Department of Insurance (CDI) licenses disability insurance carriers and regulates disability insurance, which includes health insurance policies, per the California Insurance Code.<sup>40</sup>

**Mandated Benefit Coverage or Mandated Offer of Benefit Coverage:** In the language of either code section, the law may mandate coverage of benefits or may mandate that coverage for the benefits be offered.

- “Mandate to cover” means that all health insurance subject to the law must cover the benefit.
- “Mandate to offer” means all health care service plans and health insurers selling health insurance subject to the mandate are required to offer coverage for the benefit for purchase. The health plan or insurer may comply with the mandate either (1) by including the benefit as standard in its health insurance products, or (2) by offering coverage for the benefit separately at an additional cost (e.g., a rider).

**Markets Subject to the Mandate:** In the language of either code, the law may (or may not) specify which market(s) are subject to the mandate.

- The group markets includes health insurance products issued to employers (or other entities) to provide coverage for employees (or other persons) and/or their dependents.
- The individual market includes health insurance products issued to an individual to provide coverage for a person and/or their dependents.

**Mandate Category:** As per CHBRP’s authorizing statute, the listed mandates fall into one or more types. A particular mandate law can require that subject health insurance do one or more of the following:

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<sup>39</sup> Available at:

<http://leginfo.legislature.ca.gov/faces/codesTOCSelected.xhtml?tocCode=HSC&tocTitle=+Health+and+Safety+Code+-+HSC>.

<sup>40</sup> Available at:

<http://leginfo.legislature.ca.gov/faces/codesTOCSelected.xhtml?tocCode=INS&tocTitle=+Insurance+Code+-+INS>.

- a. Offer or provide coverage for the screening, diagnosis, or treatment of a particular disease or condition. An example would be a mandate that requires coverage for all health care services related to the screening and treatment of breast cancer.
- b. Offer or provide coverage of a particular type of health care treatment or service, or of medical equipment, medical supplies, or drugs used in connection with a health care treatment or service. An example would be a mandate to cover reconstructive surgery.
- c. Offer or provide coverage for services from a specified type of health provider that fall within the provider's scope of practice. An example would be a mandate that requires coverage for services provided by a licensed acupuncturist.
- d. Offer or provide any of the forms of coverage listed above per specific terms and conditions. For example, the mental health parity law requires coverage for serious mental health conditions to be *on par* with other medical conditions, so that mental health benefits and other benefits are subject to the same copayments, limits, etc.

## Appendix B. Discussion of Basic Health Care Services<sup>41</sup>

The California Department of Managed Health Care (DMHC) regulates health care service plans, which are subject to the Knox-Keene Health Care Service Plan Act of 1975, as amended, which was codified in the Health and Safety Code.<sup>42</sup> The Knox-Keene Act requires all health care service plans, except specialized health care service plans, to provide coverage for all medically necessary basic health care services.

This requirement is based on several sections of the Knox-Keene Act rather than one straightforward provision, and so is not technically a health insurance benefit mandate as defined by CHBRP's authorizing statute. Specifically, subdivision (b) of Section 1345 defines the term "basic health care services" to mean all of the following: (1) Physician services, including consultation and referral; (2) Hospital inpatient services and ambulatory care services; (3) Diagnostic laboratory and diagnostic and therapeutic radiologic services; (4) Home health services; (5) Preventive health services; (6) Emergency health care services, including ambulance and ambulance transport services and out-of-area coverage and ambulance transport services provided through the 911 emergency response system; (7) Hospice care pursuant to Section 1368.2. "Basic health care services" are also further defined in Section 1300.67 of Title 28 of the California Code of Regulations.

In addition, subdivision (i) of Section 1367 of the Health and Safety Code provides the following: A health care service plan contract shall provide to subscribers and enrollees all of the basic health care services included in subdivision (b) of Section 1345, except that the director may, for good cause, by rule or order exempt a plan contract or any class of plan contracts from that requirement. The director shall by rule define the scope of each basic health care service that health care service plans are required to provide as a minimum for licensure under this chapter. Nothing in this chapter shall prohibit a health care service plan from charging subscribers or enrollees a copayment or a deductible for a basic health care service or from setting forth, by contract, limitations on maximum coverage of basic health care services, provided that the copayments, deductibles, or limitations are reported to, and held unobjectionable by, the director and set forth to the subscriber or enrollee pursuant to the disclosure provisions of Section 1363.

Although the Act does not explicitly state that "basic health care services" means all "medically necessary" basic health care services, there are numerous provisions within the Knox-Keene Act that reference "medical necessity" and that place requirements on plans in terms of what they must do when denying, delaying, or modifying coverage based on a decision for medical necessity (Section 1367.01). In addition, Section 1300.67 of Title 28 of the California Code of Regulations, which further defines "basic health care services," does further clarify that "the basic health care services required to be provided by a health care service plan to its enrollees shall include, where medically necessary, subject to any co-payment, deductible, or limitation of which the Director may approve..."

The entire Knox-Keene Act and the applicable regulations can be accessed online on the DMHC's website at [www.dmhc.ca.gov](http://www.dmhc.ca.gov).

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<sup>41</sup> The text in this appendix was adapted from a document prepared by the Department of Managed Health Care.

<sup>42</sup> Health and Safety Code Section 1340 et seq.

## Appendix C. California Mandates (by Health and Safety Code Section)

The following table is presented to allow easy comparison of the mandates listed in Table 1. An N/A in either the Health and Safety Code column or the California Insurance Code column indicates that a mandate does not apply to products governed under that code.

#	Health and Safety Code (DMHC)	Insurance Code (CDI)
9	N/A	10176.6
19	N/A	10369.12
24	N/A	10125
25	N/A	10122.1
50	N/A	10119.8
59	N/A	10123.865
59	N/A	10123.866
73	N/A	10123.68
36	1342.71	10123.192
36	1342.72	10123.193
36	1342.73	10123.1931
49	1367.3(b)(2)(D)	10123.5
49	1367.3(b)(2)(D)	10123.55
52	1367(b)	N/A
72	1367.002	10112.2
1	1367.005	10112.27
1	1367.006	10112.28
71	1367.006	10112.28
71	1367.007	10112.29
45	1367.06	N/A
53	1367.11	10126.6
31	1367.18	10123.7
33	1367.19	10123.141
20	1367.2(a)	10123.6
28	1367.2(b)	10123.6
36	1367.205	10123.1932
38	1367.21	10123.195
44	1367.215	N/A
37	1367.22	N/A
34	1367.24	N/A

#	Health and Safety Code (DMHC)	Insurance Code (CDI)
40	1367.241	10123.191
41	1367.244	10123.197
56	1367.25	10123.196
57	1367.25	10123.196
65	1367.25	10123.196
47	1367.3	10123.55
66	1367.31	10123.202
46	1367.35	10123.5
70	1367.4	10145
36	1367.41	10123.201
36	1367.42	10123.65
39	1367.43	10123.203
11	1367.45	10145.2
12	1367.46	10123.91
36	1367.47	N/A
10	1367.51	10176.61
63	1367.54	10123.184
2	1367.6	10123.8
32	1367.61	10123.82
61	1367.62	10123.87
62	1367.625	10123.867
69	1367.63	10123.88
6	1367.635	10123.86
8	1367.64	10123.835
5	1367.65	10123.81
35	1367.656	10123.206
4	1367.66	10123.18
3	1367.665	10123.20
14	1367.67	10123.185
68	1367.68	10123.21

#	Health and Safety Code (DMHC)	Insurance Code (CDI)
54	1367.69	10123.83
54	1367.695	10123.84
64	1367.7	10123.9
43	1367.71	10119.9
23	1367.8	10144
48	1367.9	10119.7
18	1368.2	N/A
55	1368.5	10125.1
7	1370.6	10145.4
51	1371.5	10126.6
22	1373(h)(1)	N/A
67	1373(b)	10120
42	1373.10 (non-HMOs only)	10127.3
16	1373.14	10123.16
60	1373.4	10119.5
17	1374.10 (non-HMOs only)	10123.10
13	1374.17	10123.21
29	1374.5	10176(f)
30	1374.51	10144.6
58	1374.55	10119.6
15	1374.56	10123.89
26	1374.72	10123.15
26	1374.72	10144.5
21	1374.73	10144.51
21	1374.73	10144.52
27	1374.76	10144.4
74	1371.9	10112.8



## Appendix D. California Mandates (by Insurance Code Section)

The following table is presented to allow easy comparison of the mandates listed in Table 1. An N/A in either the Health and Safety Code column or the California Insurance Code column indicates that a mandate does not apply to products governed under that code.

#	Health and Safety Code (DMHC)	Insurance Code (CDI)
45	1367.06	N/A
44	1367.215	N/A
37	1367.22	N/A
34	1367.24	N/A
36	1367.47	N/A
18	1368.2	N/A
52	1367(b)	N/A
22	1373(h)(1)	N/A
72	1367.002	10112.2
1	1367.005	10112.27
1	1367.006	10112.28
71	1367.006	10112.28
71	1367.007	10112.29
60	1373.4	10119.5
58	1374.55	10119.6
48	1367.9	10119.7
50	N/A	10119.8
43	1367.71	10119.9
67	1373(b)	10120
25	N/A	10122.1
17	1374.10 (non-HMOs only)	10123.10
33	1367.19	10123.141
26	1374.72	10123.15
16	1373.14	10123.16
4	1367.66	10123.18
63	1367.54	10123.184
14	1367.67	10123.185
40	1367.241	10123.191
36	1342.71	10123.192

#	Health and Safety Code (DMHC)	Insurance Code (CDI)
36	1342.72	10123.193
36	1342.73	10123.1931
36	1367.205	10123.1932
38	1367.21	10123.195
56	1367.25	10123.196
57	1367.25	10123.196
65	1367.25	10123.196
41	1367.244	10123.197
3	1367.665	10123.20
36	1367.41	10123.201
66	1367.31	10123.202
39	1367.43	10123.203
35	1367.656	10123.206
68	1367.68	10123.21
13	1374.17	10123.21
46	1367.35	10123.5
49	1367.3(b)(2)(D)	10123.5
47	1367.3	10123.55
49	1367.3(b)(2)(D)	10123.55
20	1367.2(a)	10123.6
28	1367.2(b)	10123.6
36	1367.42	10123.65
73	N/A	10123.68
31	1367.18	10123.7
2	1367.6	10123.8
5	1367.65	10123.81
32	1367.61	10123.82
54	1367.69	10123.83
8	1367.64	10123.835
54	1367.695	10123.84

#	Health and Safety Code (DMHC)	Insurance Code (CDI)
6	1367.635	10123.86
59	N/A	10123.865
59	N/A	10123.866
62	1367.625	10123.867
61	1367.62	10123.87
69	1367.63	10123.88
15	1374.56	10123.89
64	1367.7	10123.9
12	1367.46	10123.91
24	N/A	10125
55	1368.5	10125.1
53	1367.11	10126.6
51	1371.5	10126.6
42	1373.10 (non-HMOs only)	10127.3
23	1367.8	10144
27	1374.76	10144.4
26	1374.72	10144.5
21	1374.73	10144.51
21	1374.73	10144.52
30	1374.51	10144.6
70	1367.4	10145
11	1367.45	10145.2
7	1370.6	10145.4
9	N/A	10176.6
10	1367.51	10176.61
19	N/A	10369.12
74	1371.9	10112.8
29	1374.5	10176(f)