

ASSEMBLY BILL

No. 1032

Introduced by Assembly Members Harabedian and Rivas

February 20, 2025

An act to add Section 1374.726 to the Health and Safety Code, and to add Section 10144.45 to the Insurance Code, relating to health care coverage, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1032, as introduced, Harabedian. Coverage for behavioral health visits.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2021, to provide coverage for medically necessary treatment of mental health and substance use disorders, as defined, under the same terms and conditions applied to other medical conditions.

This bill would generally require an individual or group health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2026, to reimburse an eligible enrollee or insured for up to 12 visits per year with a licensed behavioral health provider if the enrollee or insured is in a county where a local or state emergency has been declared due to wildfires. Under the bill, an enrollee or insured would be entitled to those benefits until one year from the date the local or state emergency is lifted, whichever is later. Because

a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1374.726 is added to the Health and
2 Safety Code, to read:

3 1374.726. (a) (1) An individual or group health care service
4 plan contract issued, amended, or renewed on or after January 1,
5 2026, shall reimburse an eligible enrollee for up to 12 visits per
6 year with a licensed behavioral health provider if the enrollee is
7 in a county where a local or state emergency has been declared
8 due to wildfires.

9 (2) An enrollee is entitled to the benefits specified in paragraph
10 (1) until one year from the date the local or state emergency is
11 lifted, whichever is later.

12 (3) For a health care service plan contract that meets the
13 definition of a “high deductible health plan” set forth in Section
14 223(c)(2) of Title 26 of the United States Code, paragraph (1) shall
15 only apply once an enrollee’s deductible has been satisfied for the
16 year.

17 (b) (1) This section applies to a health care service plan subject
18 to Section 1349.2.

19 (2) This section does not apply to a specialized health care
20 service plan contract that covers only dental or vision benefits or
21 to coverage under a health care service plan contract for the federal
22 Medicare Program pursuant to Title XVIII of the Social Security
23 Act (42 U.S.C. Sec. 1395 et seq.).

24 (c) This section does not excuse a health care service plan from
25 complying with Section 1374.72 or any other requirement of this
26 chapter.

1 (d) For purposes of this section, “licensed behavioral health
2 provider” means a provider licensed under Division 2 (commencing
3 with Section 500) of the Business and Professions Code authorized
4 to render behavioral health services.

5 SEC. 2. Section 10144.45 is added to the Insurance Code, to
6 read:

7 10144.45. (a) (1) An individual or group health insurance
8 policy issued, amended, or renewed on or after January 1, 2026,
9 shall reimburse an eligible insured for up to 12 visits per year with
10 a licensed behavioral health provider if the insured is in a county
11 where a local or state emergency has been declared due to wildfires.

12 (2) An insured is entitled to the benefits specified in paragraph
13 (1) until one year from the date the local or state emergency is
14 lifted, whichever is later.

15 (3) For a health insurance policy that meets the definition of a
16 “high deductible health plan” set forth in Section 223(c)(2) of Title
17 26 of the United States Code, paragraph (1) shall only apply once
18 an insured’s deductible has been satisfied for the year.

19 (b) (1) This section applies to an insurer subject to subdivision
20 (i) of Section 740.

21 (2) This section does not apply to a specialized health insurance
22 policy that covers only dental or vision benefits or to coverage
23 under a health care service plan contract for the federal Medicare
24 Program pursuant to Title XVIII of the Social Security Act (42
25 U.S.C. Sec. 1395 et seq.).

26 (c) This section does not excuse a health care service plan from
27 complying with Section 10144.5 or any other requirement of this
28 chapter.

29 (d) For purposes of this section, “licensed behavioral health
30 provider” means a provider licensed under Division 2 (commencing
31 with Section 500) of the Business and Professions Code authorized
32 to render behavioral health services.

33 SEC. 3. No reimbursement is required by this act pursuant to
34 Section 6 of Article XIII B of the California Constitution because
35 the only costs that may be incurred by a local agency or school
36 district will be incurred because this act creates a new crime or
37 infraction, eliminates a crime or infraction, or changes the penalty
38 for a crime or infraction, within the meaning of Section 17556 of
39 the Government Code, or changes the definition of a crime within

1 the meaning of Section 6 of Article XIII B of the California
2 Constitution.

3 SEC. 4. This act is an urgency statute necessary for the
4 immediate preservation of the public peace, health, or safety within
5 the meaning of Article IV of the California Constitution and shall
6 go into immediate effect. The facts constituting the necessity are:

7 Because the destruction and loss of one's home, belongings, and
8 surrounding community, and the threat to personal safety and the
9 safety of loved ones, can have significant consequences on
10 survivors' behavioral health, which persist for years after, it is
11 necessary for this act to take effect immediately.