

ASSEMBLY BILL

No. 298

Introduced by Assembly Member Bonta

January 23, 2025

An act to add Section 1367.55 to the Health and Safety Code, and to add Section 10123.187 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 298, as introduced, Bonta. Health care coverage cost sharing.

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's requirements a crime. Existing law provides for the regulation of disability insurers by the Department of Insurance. Existing law limits the copayment, coinsurance, deductible, and other cost sharing that may be imposed for specified health care services.

This bill would prohibit a health care service plan contract or disability insurance policy issued, amended, or renewed on or after January 1, 2026, from imposing a deductible, coinsurance, copayment, or other cost-sharing requirement for services provided to an enrollee or insured under 21 years of age, except as otherwise specified. The bill would prohibit an individual or entity from billing or seeking reimbursement for services provided to an enrollee or insured under 21 years of age, except as otherwise specified. 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.

Vote: majority. 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 1367.55 is added to the Health and Safety
2 Code, to read:

3 1367.55. (a) A health care service plan contract issued,
4 amended, or renewed on or after January 1, 2026, shall not impose
5 a deductible, coinsurance, copayment, or other cost-sharing
6 requirement for services provided to an enrollee under 21 years
7 of age, except as provided in subdivision (c).

8 (b) An individual or entity shall not bill or seek reimbursement
9 from an enrollee or contractholder for services provided to an
10 enrollee under 21 years of age, except as provided in subdivision
11 (c).

12 (c) In the case of a health care service plan contract that is a
13 high deductible health plan qualifying as eligible for use in
14 combination with a health savings account under the definition set
15 forth in Section 223(c)(2) of Title 26 of the United States Code,
16 the health care service plan contract shall not impose either of the
17 following:

18 (1) A deductible, coinsurance, copayment, or other cost-sharing
19 requirement for preventive care services, as defined for purposes
20 of Section 223(c)(2) of Title 26 of the United States Code, provided
21 to an enrollee under 21 years of age.

22 (2) Coinsurance, a copayment, or other cost-sharing requirement
23 for services provided to an enrollee under 21 years of age once a
24 health care service plan contract’s deductible has been satisfied
25 for the plan year.

26 SEC. 2. Section 10123.187 is added to the Insurance Code, to
27 read:

28 10123.187. (a) A disability insurance policy issued, amended,
29 or renewed on or after January 1, 2026, shall not impose a
30 deductible, coinsurance, copayment, or other cost-sharing

1 requirement for services provided to an insured under 21 years of
2 age, except as provided in subdivision (c).

3 (b) An individual or entity shall not bill or seek reimbursement
4 from an insured or policyholder for services provided to an insured
5 under 21 years of age, except as provided in subdivision (c).

6 (c) In the case of a disability insurance policy that is a high
7 deductible health plan qualifying as eligible for use in combination
8 with a health savings account under the definition set forth in
9 Section 223(c)(2) of Title 26 of the United States Code, the
10 disability insurance policy shall not impose either of the following:

11 (1) A deductible, coinsurance, copayment, or other cost-sharing
12 requirement for preventive care services, as defined for purposes
13 of Section 223(c)(2) of Title 26 of the United States Code, provided
14 to an insured under 21 years of age.

15 (2) Coinsurance, a copayment, or other cost-sharing requirement
16 for services provided to an insured under 21 years of age once a
17 disability insurance policy's deductible has been satisfied for the
18 plan year.

19 SEC. 3. No reimbursement is required by this act pursuant to
20 Section 6 of Article XIII B of the California Constitution because
21 the only costs that may be incurred by a local agency or school
22 district will be incurred because this act creates a new crime or
23 infraction, eliminates a crime or infraction, or changes the penalty
24 for a crime or infraction, within the meaning of Section 17556 of
25 the Government Code, or changes the definition of a crime within
26 the meaning of Section 6 of Article XIII B of the California
27 Constitution.