

AMENDED IN SENATE APRIL 3, 2013

**SENATE BILL**

**No. 320**

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**Introduced by Senator Beall  
(Coauthors: Senators DeSaulnier and Rubio)**

February 19, 2013

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An act to add Section 1367.81 to the Health and Safety Code, and to add Section 10123.65 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 320, as amended, Beall. Health care coverage: acquired brain injury.

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 also provides for the regulation of health insurers by the Department of Insurance. Existing law requires health care service plan contracts and health insurance policies to provide coverage for specified benefits.

This bill would prohibit a health care service plan contract or a health insurance policy issued, amended, renewed, or delivered on or after January 1, 2014, from denying coverage for medically necessary medical or rehabilitation treatment for an acquired brain injury at a facility *within the plan's or insurer's network* that is properly licensed and accredited at which appropriate services may be provided, including specified facilities such as a hospital or a long-term acute care hospital, except as provided. The bill would additionally prohibit the contract or policy from denying *the applicable* coverage because the treating facility *within the plan's or insurer's network* is not near the enrollee's or insured's

home. Because a willful violation of the bill's provisions by a health care service plan would be a crime, it 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 1367.81 is added to the Health and Safety  
2 Code, to read:  
3 1367.81. (a) A health care service plan contract issued,  
4 amended, renewed, or delivered on or after January 1, 2014, shall  
5 not deny coverage for medically necessary medical or rehabilitation  
6 treatment for an acquired brain injury at a facility *within the plan's*  
7 *network* that is properly licensed and accredited at which  
8 appropriate services may be provided, including any of the  
9 following facilities:  
10 (1) A hospital.  
11 (2) An acute rehabilitation hospital.  
12 (3) A long-term acute care hospital.  
13 (4) An adult residential or postacute residential transitional  
14 rehabilitation facility accredited by the Commission on  
15 Accreditation of Rehabilitation Facilities as a specialty brain injury  
16 rehabilitation program, such as an interdisciplinary outpatient  
17 medical rehabilitation program, a brain injury program, or a  
18 residential rehabilitation program.  
19 (5) A medical office.  
20 (6) Another analogous facility *within the plan's network* at  
21 which appropriate services may be provided.  
22 (b) A health care service plan shall not deny coverage, pursuant  
23 to subdivision (a), because the treating facility *within the plan's*  
24 *network* is not near the enrollee's home.  
25 (c) This section shall not apply to accident-only, specified  
26 disease, hospital indemnity, Medicare supplement, dental-only, or  
27 vision-only health care service plan contracts.

1 SEC. 2. Section 10123.65 is added to the Insurance Code, to  
2 read:

3 10123.65. (a) A health insurance policy issued, amended,  
4 renewed, or delivered on or after January 1, 2014, shall not deny  
5 coverage for medically necessary medical or rehabilitation  
6 treatment for an acquired brain injury at a facility  
7 *within the insurer's network*

8 that is properly licensed and accredited at which appropriate  
9 services may be provided, including any of the following facilities:

10 (1) A hospital.

11 (2) An acute rehabilitation hospital.

12 (3) A long-term acute care hospital.

13 (4) An adult residential or postacute residential transitional  
14 rehabilitation facility accredited by the Commission on  
15 Accreditation of Rehabilitation Facilities as a specialty brain injury  
16 rehabilitation program, such as an interdisciplinary outpatient  
17 medical rehabilitation program, a brain injury program, or a  
18 residential rehabilitation program.

19 (5) A medical office.

20 (6) Another analogous facility *within the insurer's network* at  
21 which appropriate services may be provided.

22 (b) A health insurance policy shall not deny coverage, pursuant  
23 to subdivision (a), because the treating facility *within the insurer's*  
24 *network* is not near the insured's home.

25 (c) This section shall not apply to accident-only, specified  
26 disease, hospital indemnity, Medicare supplement, dental-only, or  
27 vision-only health insurance policies.

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

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