Bills for Consideration at the Legislative & Public Affairs Committee Meeting on June 10, 2015

AB 533 (Bonta) Out-of-Network Health Coverage (staff recommends: Support)

SB 62 (Pavley) Student Financial Aid (staff recommends: Support)
ADOPT THE LEGISLATIVE & PUBLIC AFFAIRS COMMITTEE’S RECOMMENDATIONS (JUNE 10, 2015)

Subject: AB 533 (Bonta) Out-of-Network Health Coverage

Support  Oppose

Summary: This bill would require a health care service plan contract or health insurance policy to provide that if an enrollee obtains care from a contracting health facility at which the enrollee receives covered services provided by a non-contracting individual health professional the enrollee is required to pay the non-contracting individual health professional only the same cost sharing required if the services were provided by a contracting individual health professional.

Analysis: The changes in this bill would prohibit balanced billing. Balanced billing is the practice of charging health consumers the difference between what the plan covers and the actual cost of the service from a provider not in the network. This bill would lower the cost to consumers. In addition insurance provider's costs would also be contained since they are not required to expand their networks and health professionals would not be allowed to overcharge for their services. These changes mean that students, faculty, staff, and administration will not have to pay large out-of-pocket fees for out-of-network services they needed and were in no position to deny.

Staff Recommendation – Support

Subject: SB 62 (Pavley) Student Financial Aid

Support  Oppose

Summary: This bill would make changes to APLE (Assumption Program of Loans for Education) and the Governor’s Teacher Fellowship Program. This bill would require a program participant to teach in a teaching field with a critical shortage of teachers and to demonstrate financial need, revise the information that the Superintendent is required to furnish to the commission annually regarding the program, and make conforming changes. This bill also increases the amount of loan assumption by the state and changes the definition of an “eligible” school.

Analysis: The change in definition expands the base of schools that can be served by potential teachers. In addition, the state will pay up $19,000 of an APLE program participant’s student loans if they teach at a low-performing school in one of the following fields: math, science, or special education. Ultimately, these changes offer extra assistance to transfer students that wish to teach primary/secondary school.

Staff Recommendation – Support