

April 28, 2014

Assemblymember Richard Pan, MD
Chair, Assembly Health Committee
State Capitol, Room 6005
Sacramento, CA 95814

RE: AB 2533 (Ammiano) – Sponsor

Dear Dr. Pan:

The 86,000 registered nurses (RN) of the California Nurses Association (CNA) respectfully ask you to support, AB 2533 (Ammiano), which provides many things, but the bill provides necessary parity between the California Department of Insurance and the Department of Managed Health Care by insuring access to out-of-network specialty doctors at no extra cost to enrollees.

As the Patient Protection and Affordable Care Act (ACA) reaches full implementation and more and more Californians enroll in health plans and policies as required by law, tension between efforts to contain health care costs and preserve access to quality providers is reaching new heights. To achieve cost savings goals of the ACA, health care service plans and insurers are narrowing provider networks, thereby significantly reducing the number of providers available to provide care to enrollees and limiting patient access to care.

Having an insurance card means nothing if you are unable to find a provider to get care when you need it. Network adequacy is an extremely important issue, and having access to a high-quality network of providers is critical. Some consumers may be forced to opt for a smaller network in exchange for a lower-cost plan. But these consumers may be taking a big financial risk if limited access forces them to go out of network for care.

As the sponsor of AB 2533 (Ammiano), the California Nurses Association (CNA) would like to inform the Chair and the Committee that we accept the amendments proposed to the bill that will be heard before your committee on April 29, 2014. In summary, the amendments will:

- Require health care service plan and insurers to arrange for care from out-of-network providers, at the same out-of-pocket costs to enrollees and as in-network providers, if enrollees are unable to obtain medically necessary covered services in a timely manner.
- Require health care service plans and insurers to annually report denials of care and complaints regarding timely access to care to the Department of Managed Health Care (DMHC), and to the California Department of Insurance (CDI), respectively, and require both state entities to post reports on its website regarding the complaint information.
- Require health insurers regulated by the California Department of Insurance (CDI) to promulgate regulations to ensure consumers have the opportunity to access medically necessary services in an accessible and timely manner, and to review the regulations every three years to determine if updates are necessary.

- Grants the Insurance Commissioner authority to investigate and take enforcement action against insurers regarding noncompliance with the specified access requirements, and to assess administrative penalties for violations.

AB 2533 advances CNA's mission to ensure that all patients have access to the care they need while being protected from financial harm. We strongly ask for your "aye" vote on this important legislation.

Sincerely,

Stephanie Roberson
Legislative Advocate

Cc: Assembly member Ammiano
Members, Assembly Health Committee
Consultant, Assembly Health Committee