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Insurance Commissioner

California Department of Insurance

NOTICE

Insurer Compliance with Assembly Bill 2941 — Health Care Coverage: State of Emergency

December 10, 2018

This notice provides information to assist health insurers in complying with the requirements of [Assembly Bill 2941](#) (Stats. 2018, ch. 196).¹ AB 2941 added section 10112.95 to the Insurance Code, which provides as follows:

- (a) A health insurer shall provide an insured who has been displaced by a state of emergency, as declared by the Governor pursuant to Section 8625 of the Government Code, access to medically necessary health care services.
- (b) Within 48 hours of a declaration by the Governor of a state of emergency that displaces or has the immediate potential to displace insureds, a health insurer operating in the county or counties included in the declaration shall file with the department a notification describing whether the insurer has experienced or expects to experience any disruption to the operation of the insurer, explaining how the insurer is communicating with potentially impacted insureds, and summarizing the actions the insurer has taken or is in the process of taking to ensure that the health care needs of insureds are met. This may require the insurer to take actions, including, but not limited to, the following:
 - (1) Relax time limits for prior authorization, precertification, or referrals.
 - (2) Extend filing deadlines for claims.
 - (3) Suspend prescription refill limitations and allow an impacted insured to refill his or her prescriptions at an out-of-network pharmacy.
 - (4) Authorize an insured to replace medical equipment or supplies.
 - (5) Allow an insured to access an appropriate out-of-network provider if an in-network provider is unavailable due to the state of emergency or if the insured is out of the area due to displacement.

¹ http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB2941

(6) Have a toll-free telephone number that an affected insured may call for answers to questions, including questions about the loss of health insurance identification cards, access to prescription refills, or how to access health care.

(c) This section shall not be construed to limit the Governor's authority under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code), or the commissioner's authority under any provision of this part.

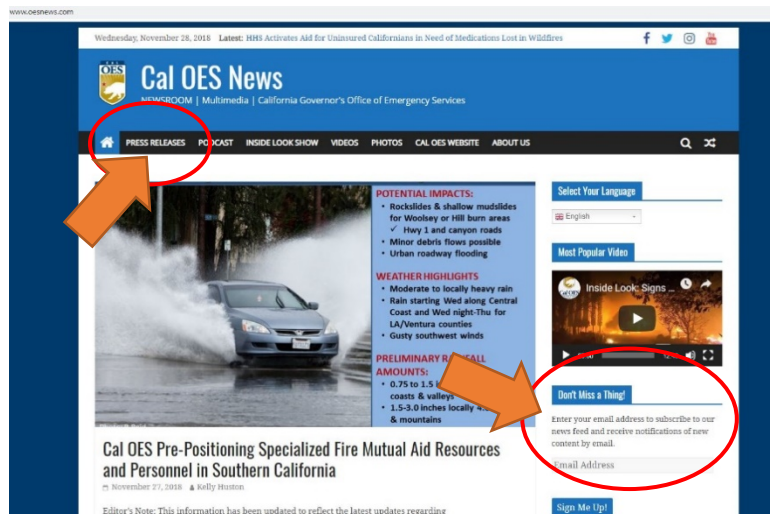
Note that subdivision (a) requires that health insurers provide access to medically necessary health care services to insured persons displaced by a state of emergency. This bulletin provides information to assist in compliance with subdivision (b), which requires reporting by health insurers to the Department of Insurance regarding the health insurer's actions in response to a declared emergency.

Health insurers should do the following:

A. Monitor emergency proclamations

Emergency proclamations by the Governor are currently posted on the Governor's website at: <https://www.gov.ca.gov/proclamations/>. If navigating from the main page of the Governor's website, click on "Newsroom" at the top of the page, then select "Proclamations" from the drop-down menu.

Email notifications regarding declared emergencies are available from the California Office of Emergency Services news website at <http://www.oesnews.com>. On the main OES news main page, sign up for email alerts under "Don't Miss a Thing!" at the right center of the page. Disaster proclamations can also be reviewed on the California Office of Emergency Services news website under the "Press Releases" tab.



B. File disaster notifications with the Department through SERFF within 48 hours of an emergency proclamation that displaces or may displace insureds

For each declared state of emergency, file a disaster notification through the Department of Insurance “California Life & Health” instance on SERFF. Choose “form” under “filing type.” In the “Filing Description” field, enter “Disaster Notification [name of disaster in Governor’s proclamation]”. For example, “Disaster Notification Camp Fire.” Submit the disaster notification under the “Supporting Documentation” tab.

C. The disaster notification should include:

1. The name of the disaster as specified in the Governor’s proclamation.
2. The insurer name, date and time of the insurer’s notification to the Department, and specific contact person within the insurer regarding the disaster response for the Department to contact.
3. A list of the counties covered by the Governor’s proclamation in which the health insurer has insured persons, with the number of insured persons in each county.
4. Whether the insurer has experienced or expects to experience any disruption to the operation of the insurer, with a description and estimated duration of the disruption(s).
5. Detailed description of the insurer’s plan for communicating with affected insured persons.
6. Specific information regarding the actions the insurer will take in response to the disaster for affected insureds, and the anticipated duration of those actions. The following potential responses should be addressed:
 - a. Relaxing time limits for prior authorization, precertification, or referrals.
 - b. Extending filing deadlines for claims.
 - c. Suspending prescription refill limitations and allow an impacted insured to refill his or her prescriptions at an out-of-network pharmacy, even if the prescription is not due for refill.
 - d. Authorizing an insured to replace medical equipment or supplies.
 - e. Allowing an insured to access an appropriate out-of-network provider if an in-network provider is unavailable due to the state of emergency or if the insured is out of the area due to displacement.
 - f. Providing a toll-free telephone number that an affected insured may call for answers to questions, including questions about the loss of health insurance identification cards, access to prescription refills, or how to access health care. Please specify the number.
 - g. Providing continuity of care for insured persons participating in a care management program.
 - h. Specific provision for mental health care for displaced persons for mental health concerns resulting from the disaster.

- i. Billing leniency for insured persons within the designated disaster area, such as a 30 day leniency period before any action is taken for nonpayment of premium on a health insurance policy.
- j. All other actions taken by the insurer in response to the disaster.

D. Submit revised filings

If the health insurer changes any part of its disaster response after the initial filing described in Part C, above, a revised disaster notification should be submitted to the Department within 48 hours through SERFF in the existing disaster notification filing. Do not create a new filing unless it is for a different declared state of emergency.

E. Effective Date and Current States of Emergencies

The above requirements apply to any emergencies declared by the Governor on or after January 1, 2019, as well as ongoing states of emergency declared in 2018. Health insurers should file notifications regarding these ongoing states of emergency no later than January 3, 2019. These ongoing states of emergency would include, at minimum, the [Camp Fire](#)² and [Hill and Woolsey Fires](#)³.

F. Scope

The requirements of AB 2941 apply to all companies selling health insurance as defined in Insurance Code section 106(b), including specialized health insurance policies⁴ as defined in section 106(c).

G. Questions

Insurer questions regarding compliance with the requirements of AB 2941 should be directed to Bruce.Hinze@insurance.ca.gov or Ethan.Lavelle@insurance.ca.gov.

² <https://www.gov.ca.gov/2018/11/08/acting-governor-newsom-declares-state-of-emergency-in-butte-county-due-to-camp-fire/>

³ <https://www.gov.ca.gov/2018/11/09/state-of-emergency-in-los-angeles-and-ventura-counties/>

⁴ Specialized health insurance policies include, but are not limited to, dental-only, vision-only, and behavioral health-only policies.