

OPPOSE AB 731:

Added Bureaucracy. Added Health Care Costs.

Large group plan transparency already exists from a 2015 CA law (SB 546) that requires health plans to report and make public large group rate information.

Large group health plans are highly tailored and competitive, which is why the federal government determined their review unnecessary under the ACA.



Current Process For Large Group Health Plan Reporting:



Companies and health plans negotiate on a health plan rate that works for employees.



An agreement between a health plan and company is made.



SB 546 requires health plans to send market-wide aggregate rate information to DMHC and CDI including rate changes and methods, cost trends, average rate increases, medical and drug trends, product types, annual expenses, actuarial values, benefits, and cost sharing.



DMHC and CDI report the market-wide aggregate rate information and hold hearings on the market-wide aggregate rate information.



CDI and DMHC both post rate information publicly.



Another CA Law, SB 1182 (2014) requires health plans to provide claims data annually at no charge to large employers or union trusts upon request to aid in health coverage negotiations.

Will AB 731 benefit consumers?

No. There will be no benefit to consumers — just added and unnecessary bureaucracy, and potential premium increases.

AB 731:

- ✓ Adds Bureaucracy
- ✓ Adds Potential New Health Care Costs
- ✓ Adds Potential Delays