



The Vita Viewpoint Important Information for Decision Makers

Eight New Managed Care Laws Effective July 1, 1999

Small Groups/Individual Only

- AB 607: Requires that health plans provide a standardized benefit matrix that allows consumers and small group employers to compare health plans side-by-side. The matrix is being developed according to the mandated list.

All Insured Groups

- AB 974: Requires continued coverage of a prescription drug for patients if their health plan removes the drug from their formulary and the patient's physician continues to prescribe it for a medical condition.
- AB 1225: Requires that health plans inform enrollees upon initial enrollment, and annually thereafter, about the societal benefits of organ donation.
- AB 1621: Requires that health plans cover reconstructive surgery, defined as "surgery performed to correct or repair abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors or disease to either improve function or to create a normal appearance, to the extent possible."
- AB 2103: Requires that health plans notify enrollees when they have selected a contracting medical group or IPA using a hospital that is planning to reduce or eliminate its emergency services.
- SB 625: Requires that health plans establish an expedited pre-authorization process for physicians to request non-formulary drugs.
- SB 956: Requires that health plans establish a procedure to respond to any reports of fraud by external clients or internal employees.
- SB 1443: Requires health plans to publish the following on plan contracts, Evidence of Coverage (EOC) documents, copies of plan grievance procedures, and complaint forms:
 - The Department of Corporations (DOC) toll-free number/internet address.
 - The CA Relay Service's toll-free numbers for hearing/speech impaired.
 - The plan's own phone number.
 - Information concerning the appeals and grievance process.

For questions or additional information, please contact Vita Benefits Group at (650) 968-8811.