

## A Timeline of Health Reform in California, 2010-19

### A Decade of Implementing & Improving the Affordable Care Act, and Much More

The decade in California health care was defined by two major events in 2009-10, which shapes the years ahead:

- The passage and enactment of the **Patient Protection and Affordable Care Act**, with leadership from President Obama, and California Congressional leaders (including Speaker Nancy Pelosi, key committee chairs Waxman, Miller, and Stark, and many others from California). California's decade-long actions to implement and improve upon the ACA lead to cutting the uninsured rate in half, the biggest reduction of all 50 states.
- The re-emergence of a major budget crisis in California. In 2009, major budget cuts trigger 10% provider rate cuts, and the elimination of dental and other benefits in Medi-Cal—that are finally restored ten years later.

#### 2010

California passes key bills to adopt many of the consumer protections in the Affordable Care Act, including:

- AB 1602 (Perez) & SB 900 (Alquist) establish **first-in-the-nation post-reform Health Benefits Exchange**.
- SB 1163 (Leno) institutes **rate review** in California.
- AB 2244 (Feuer) ensures **access & affordability for coverage for children with pre-existing conditions**.
- AB 2345 (De La Torre) requires coverage of preventive services; AB 2470 (De La Torre) prevents rescissions.
- AB 342 (Price) allows young people to stay on parents' coverage until age 26.
- SB51 (Alquist) requires medical loss ratio and outlaws annual and lifetime limits.

Also: AB 1503 (Lieu) bill passes to protect uninsured from ER doctor overcharges.

Governor Jerry Brown elected. California voters also pass *Prop. 25*, to pass state budgets by a simple majority, rather than 66%—stopping the years of late budgets and brinksmanship.

#### 2011

While dealing with massive budget deficit, newly elected Governor Brown continues California implementation of health reform, with bills on **improving consumer assistance** SB 922 (Monning), **streamlining eligibility and enrollment** AB 1296 (Bonilla), and **instituting the medical loss ratio** SB 51 (Alquist).

California passes SB 222 (Evans/Alquist) and AB 210 (Hernandez), a long-sought mandate to **require maternity coverage in all plans**, 18 months earlier than required under federal law's essential benefit protections.

#### 2012

**Governor Brown signs more bills implementing the Affordable Care Act**, including ones setting standards for essential health benefits, AB 1453 (Monning) & SB 951 (Hernandez), the new rules for small group coverage AB 1083 (Monning), and new notice for coverage options during life changes AB 792 (Bonilla).

**Over 50 counties start Low-Income Health Programs (LIHPs), enrolling over 550,000 Californians**—most of the early Medicaid expansions nationally.

*Prop. 30*, an upper income tax increase, passes, which along with previous steep budget cuts and a recovering economy, promises to end a decade of budget deficits and crises.



President Obama re-elected, with Democrats gaining seats in the U.S. House & Senate, continuing implementation of the Affordable Care Act, which is upheld by the Supreme Court.

## 2013

In special legislative session, **California officially implements and improves upon the ACA's** major planks, including instituting individual insurance market reforms such as **the ban on pre-existing conditions AB 1x2 (Pan) & SB 1x2 (Hernandez), and the Medi-Cal expansion, AB 1x1 (Perez) & SB 1x1 (Hernandez/Steinberg).**

**Adult dental benefits partially restored** in the state budget.

## 2014

**California begins its implementation of the ACA, launching coverage through Covered California and the Medi-Cal expansion; new consumer protections and market rules also take effect. Millions of Californians gain coverage through Medi-Cal and Covered California.**

Through SB 964 (Hernandez), California requires annual surveys of health plan network adequacy and timely access.

Governor Jerry Brown is re-elected.

## 2015-16

California takes **additional steps to #Health4All**, including undocumented immigrants:

- Expansion of Medi-Cal **coverage for all children**, SB 4 (Lara)/AB75.
- Seeking a waiver to **open up Covered California**, SB 10 (Lara)
- Having multiple **counties expand eligibility** for safety-net services, from 9 to 47, including Sacramento, Contra Costa, Monterey, and CMSP.

The Legislature passes **new protections against unfair health care costs**, sponsored by Health Access, including:

- Protections against surprise medical bills, AB 72 (Bonta, Wood, et. al.)
- Caps on extreme prescription drug cost-sharing, AB 339, (Gordon)
- Prohibition on “junk” employer-based coverage, AB 2088 (R. Hernandez)
- Requirement on accurate & updated provider directories. SB 137 (Ed Hernandez)
- Notice of unreasonable rate increases and opportunity to shop around, SB 908 (Ed Hernandez).

Improvements in Medi-Cal include a new “Medi-Cal 2020” waiver, a revamped MCO tax, and key investments, including the limiting of estate recovery.

In special session, the Legislature passes the **strongest tobacco control package in a generation**, raising the smoking age to 21 and regulating e-cigarettes.

California voters support new revenues by wide margins, including *Prop. 55 (upper-income tax extension)* and *Prop. 56 (tobacco tax)*.

Donald Trump is elected President.



## 2017

GOP control of the White House and Congress threatens the progress made and the coverage provided for millions under Medicaid, Medicare, and the Affordable Care Act. Yet after multiple attempts at ACA repeal and Medicaid cuts and caps, these **core health programs largely survive the year** due to massive resistance, including in California.

California continues to see a reduction in the uninsured to 7%, despite federal administrative attacks on the ACA, due to state counter-actions by Covered California and the Legislature, such as AB 156 (Wood) on a full three-month open enrollment, and SB 133 (Hernandez) to ensure patients **continuity of care** when insurers withdraw from a market.

**Dental and vision coverage in Medi-Cal are fully restored** in the state budget, along with provide rate supplements from tobacco tax funds.

California passed landmark legislation on **prescription drug price transparency**, SB 17 (Hernandez).

## 2018

California took additional action to stop sabotage of the ACA, with legislation to **ban junk coverage**, including substandard “short term” plans, AB 910 (Hernandez). Also limited association health plans, AB 1375 (Hernandez).

California placed greater oversight on the industry, including:

- Stronger **review of health plan mergers**. AB 595 (Wood).
- Ensuring the \$250 cap on co-pays, AB 1021 (Weiner).
- Ensuring 80% of premiums are spent on patient care, AB 2499 (Arambula).
- Regulating pharmaceutical benefit managers (PBMs). AB 315 (Wood).

2018 elections change the health policy landscape:

- Federally, Californians vote out 7 members of Congress that voted for ACA repeal—half of the state’s Republican caucus. The election of California’s Nancy Pelosi to Speaker ends the threat of Congressional attacks on the ACA and Medicaid.
- Governor Gavin Newsom is elected.

## 2019

California took first-in-the-nation steps to expand coverage, access and affordability, including:

- New state subsidies to **provide additional affordability assistance in Covered California**, both for lower-income and middle-class consumers beyond the ACA threshold of four times the poverty level.
- **Medi-Cal expansions for all income-eligible young adults, regardless of immigration status.**
- Other improvements in Medi-Cal to restore benefits, keep seniors and people with disabilities covered; improved quality standards and integration efforts, and increase screening for adverse childhood events led by a new Surgeon General.

California took steps to further control costs, include

- **Expanding and enhancing rate review of health premiums** for large purchasers, AB731 (Kalra);
- **Efforts to lower prescription drug pricing**, including protections against “**pay for delay**” policies through AB824 (Wood), and the starting of Medi-Cal Rx and a state prescription drug purchasing pool.
- A settlement with Sutter Health prohibiting future anti-competitive contracting and pricing practices.