



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

DB11:067

FOR IMMEDIATE RELEASE
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Health Insurance Initiative Enters Circulation

Health Insurance. Initiative Statute.

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of a new initiative may begin collecting petition signatures for his measure.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponent and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the measure is as follows:

HEALTH INSURANCE. INITIATIVE STATUTE. Requires interpretation of insurance policies according to plain meaning of words unless special definition included in policy. Prohibits insurers from reducing policy benefits without prior consent and refund. Requires insurers to provide written reasons for delay, limitation, or denial of benefits and certify determinations are not based on false or misleading information. Voids agreements rewarding providers for denial of covered services. Subjects violators to license suspension, disgorgement, damages, punitive damages, and publication of otherwise confidential business information involved in violation. Authorizes individual enforcement actions on behalf of State. Creates ownership interest in one's own health information. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government, if this measure is interpreted to apply only to health plans and insurers regulated by CDI and DMHC: **Likely increase in costs to the state and local governments, at least in the millions of dollars annually, associated with increased premiums for government-purchased health insurance. Likely minor impact on state General Fund revenues from gross premiums and corporate income taxes. Potentially significant increase in state court costs depending on the number of cases filed and how they are adjudicated by the courts.** (11-0060)

The Secretary of State's tracking number for this measure is 1533 and the Attorney General's tracking number is 11-0060.

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The proponent for this measure, John Metz, must collect signatures of 504,760 registered voters – the number equal to five percent of the total votes cast for governor in the 2010 gubernatorial election – in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for this measure, meaning the signatures must be collected by May 25, 2012.

The initiative proponent can be reached at (800) 878-7833.

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