

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

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)