STATE OF CALIFORNIA
LEGISLATIVE COUNSEL BUREAU
AUTHENTICATED
ELECTRONIC LEGAL MATERIAL

Assembly Bill No. 1907

CHAPTER 204

An act to amend, repeal, and add Section 100503.4 of the Government Code, to amend Section 1399.848 of the Health and Safety Code, and to amend Section 10965.4 of the Insurance Code, relating to the California Health Benefit Exchange.

[Approved by Governor September 14, 2026. Filed with Secretary of State September 14, 2026.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1907, Addis. California Health Benefit Exchange.

Existing law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under the federal Patient Protection and Affordable Care Act. Existing law requires the Exchange to enroll an individual in the lowest cost silver plan or another plan, as specified, upon receiving the individual's electronic account from an insurance affordability program. Existing law requires enrollment to occur before coverage through the insurance affordability program is terminated and prohibits the premium due date from being sooner than the last day of the first month of enrollment.

This bill would, commencing July 1, 2027, additionally authorize the Exchange to enroll an individual in the plan in which other members of the individual's household are enrolled, as specified, or the lowest cost plan available to an Indian who is eligible for specified reduced cost sharing, as determined by the Exchange, and would require the Exchange to enroll an individual in any of the plans described above upon receipt of a complete application for an insurance affordability program submitted through the Statewide Automated Welfare System. The bill would require the Exchange to enroll the individual either before coverage through the insurance affordability program is terminated as described above or upon the receipt of a complete application for an insurance affordability program through the Statewide Automated Welfare System as described above.

Existing law requires the Exchange to provide an individual who is enrolled in a plan described above with a notice that includes specified information, including a statement that services received during the first month of enrollment will only be covered by the plan if the premium is paid by the due date.

This bill would require the Exchange to provide the notice described above prior to the individual's effective date of coverage, and to provide, instead of the statement described above, instructions on how to effectuate coverage in the selected plan, including by paying the premium on or before

the due date, or, if there is no premium due, instructions on how to opt into the selected plan.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan or health insurer to provide an annual enrollment period for individual health benefit plans offered through the Exchange from November 1 of the preceding calendar year to January 31 of the benefit year, inclusive. Existing law specifies that the effective date of coverage for individual health benefit plans offered outside and through the Exchange be no later than January 1 of the benefit year for plan selection made from November 1 to December 31 of the preceding calendar year, inclusive, and be no later than February 1 of the benefit year for plan selection made from January 1 to January 31 of the benefit year, inclusive.

This bill would require a health care service plan or health insurer to provide the annual enrollment period and effective dates of coverage described above, except to the extent that those provisions are inconsistent with federal law, as specified. If inconsistent, the bill would require the plan or insurer to provide the annual enrollment period and effective dates of coverage required by federal law. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 100503.4 of the Government Code is amended to read:

100503.4. (a) Upon receipt of an individual's electronic account pursuant to subdivision (h) of Section 15926 of the Welfare and Institutions Code from the insurance affordability program coverage, as specified in subparagraphs (A) and (B) of paragraph (3) of subdivision (a) of Section 15926 of the Welfare and Institutions Code, the Exchange shall use the available information to enroll the individual or individuals in the lowest cost silver plan available, unless the Exchange has information from the county, State Department of Health Care Services, managed care plan, or another plan as determined by the Exchange that enables the Exchange to enroll the individual with the individual's previous managed care plan within the timeframe required by subdivision (b).

(b) Plan enrollment shall occur before the termination date of coverage through the insurance affordability program.

(c) The plan's premium due date shall not be sooner than the last day of the first month of enrollment.

(d) The Exchange shall provide an individual who is enrolled in a plan pursuant to this section with a notice prior to the individual's effective date of coverage that includes all of the following information:

(1) The plan in which the individual is enrolled.

(2) The individual's right to select another available plan and any relevant deadlines for that selection.

(3) How to receive assistance to select a plan.

(4) The individual's right not to enroll in the plan.

(5) Information for an individual appealing their previous coverage through an insurance affordability program.

(6) Instructions on how to effectuate coverage in the selected plan, including, but not limited to, by paying the premium on or before the due date, or, if there is no premium due, instructions on how to opt into the selected plan.

(e) This section shall become inoperative on July 1, 2027, and, as of January 1, 2028, is repealed.

SEC. 2. Section 100503.4 is added to the Government Code, to read:

100503.4. (a) Upon receipt of an individual's electronic account pursuant to subdivision (h) of Section 15926 of the Welfare and Institutions Code from the insurance affordability program coverage, as specified in subparagraphs (A) and (B) of paragraph (3) of subdivision (a) of Section 15926 of the Welfare and Institutions Code, or upon receipt of a complete application for an insurance affordability program submitted through the Statewide Automated Welfare System, the Exchange shall use the available information to enroll the individual or individuals who are determined eligible for financial assistance through the Exchange within the timeframe required by subdivision (b) in one of the following plans as determined by the Exchange:

(1) The lowest cost silver plan available.

(2) The plan in which other members of the modified adjusted gross income household, as defined in subdivision (k) of Section 100501, are enrolled.

(3) The lowest cost plan available to an Indian, as defined in Section 5304(d) of Title 25 of the United States Code, eligible for the reduced cost-sharing specified in Section 18071(d)(1) of Title 42 of the United States Code.

(4) If the Exchange has information from the county, the State Department of Health Care Services, the managed health plan, or another plan as determined by the Exchange that enables the Exchange to enroll the individual in a plan offered by the individual's previous managed care plan.

(b) Plan enrollment shall occur before the termination date of coverage through the insurance affordability program or upon the receipt of a complete

application for an insurance affordability program through the Statewide Automated Welfare System.

(c) The plan's premium due date shall not be sooner than the last day of the first month of enrollment.

(d) The Exchange shall provide an individual who is enrolled in a plan pursuant to this section with a notice prior to the individual's effective date of coverage that includes the following information:

(1) The plan in which the individual is enrolled.

(2) The individual's right to select another available plan and any relevant deadlines for that selection.

(3) How to receive assistance to select a plan.

(4) The individual's right not to enroll in the plan.

(5) Information for an individual appealing their previous coverage through an insurance affordability program.

(6) Instructions on how to effectuate coverage in the selected plan, including, but not limited to, by paying the premium on or before the due date, or, if there is no premium due, instructions on how to opt into the selected plan.

(e) This section shall become operative on July 1, 2027.

SEC. 3. Section 1399.848 of the Health and Safety Code is amended to read:

1399.848. (a) Notwithstanding paragraph (1) of subdivision (c) of Section 1399.849, with respect to individual health benefit plans offered outside of the Exchange, a plan shall provide an annual enrollment period for policy years beginning on or after January 1, 2020, from November 1 of the preceding calendar year, to January 31 of the benefit year, inclusive.

(b) Notwithstanding paragraphs (2) and (3) of subdivision (c) of Section 1399.849, with respect to individual health benefit plans offered through the Exchange, for policy years beginning on or after January 1, 2023, a plan shall provide an annual enrollment period from November 1 of the preceding calendar year to January 31 of the benefit year, inclusive.

(c) Notwithstanding paragraph (3) of subdivision (c) of Section 1399.849, with respect to individual health benefit plans offered outside and through the Exchange, the effective date of coverage shall be as follows:

(1) No later than January 1 of the benefit year for plan selection made from November 1 to December 31 of the preceding calendar year, inclusive.

(2) No later than February 1 of the benefit year for plan selection made from January 1 to January 31 of the benefit year, inclusive.

(d) Notwithstanding subdivisions (a), (b), and (c), for policy years beginning on or after January 1, 2027, with respect to individual health benefit plans offered through or outside the Exchange, a plan shall provide the annual enrollment period and effective dates of coverage described in subdivisions (b) and (c), except to the extent that those provisions are inconsistent with Section 155.410 of Title 45 of the Code of Federal Regulations, in which case the plan shall provide the annual enrollment period and effective dates of coverage required by Section 155.410 of Title 45 of the Code of Federal Regulations.

SEC. 4. Section 10965.4 of the Insurance Code is amended to read:

10965.4. (a) Notwithstanding paragraph (1) of subdivision (c) of Section 10965.3, with respect to individual health benefit plans offered outside of the Exchange, a health insurer shall provide an annual enrollment period for policy years beginning on or after January 1, 2020, from November 1 of the preceding calendar year, to January 31 of the benefit year, inclusive.

(b) Notwithstanding paragraphs (2) and (3) of subdivision (c) of Section 10965.3, with respect to individual health benefit plans offered through the Exchange, for policy years beginning on or after January 1, 2023, a health insurer shall provide an annual enrollment period from November 1 of the preceding calendar year to January 31 of the benefit year, inclusive.

(c) Notwithstanding paragraph (3) of subdivision (c) of Section 10965.3, with respect to individual health benefit plans offered outside and through the Exchange, the effective date of coverage shall be as follows:

(1) No later than January 1 of the benefit year for plan selection made from November 1 to December 31 of the preceding calendar year, inclusive.

(2) No later than February 1 of the benefit year for plan selection made from January 1 to January 31 of the benefit year, inclusive.

(d) Notwithstanding subdivisions (a), (b), and (c), for policy years beginning on or after January 1, 2027, with respect to individual health benefit plans offered through or outside the Exchange, a health insurer shall provide the annual enrollment period and effective dates of coverage described in subdivisions (b) and (c), except to the extent that those provisions are inconsistent with Section 155.410 of Title 45 of the Code of Federal Regulations, in which case the health insurer shall provide the annual enrollment period and effective dates of coverage required by Section 155.410 of Title 45 of the Code of Federal Regulations.

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

O