

Health Care Rate Regulation Bill Stalls In State Senate

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Controversial California [Assembly Bill 52](#) (“AB 52”), which, among other things, granted the [California Department of Insurance](#) (“CDI”) and the [California Department of Managed Health](#) (“DMHC”) the authority to reject or modify any proposed rate or rate change by a health insurer or health care service plan, has stalled out in the California Senate. Under current law, neither the CDI nor the DMHC has the authority to reject or modify proposed rates or rate changes.

While AB 52 had previously cleared the California Assembly in June, on Wednesday August 31, 2011, AB 52’s author – Assemblyman Mike Feuer – halted efforts to try to get AB 52 passed by the Senate this year, indicating that there were insufficient votes to win approval from the Senate before the deadline next week for approving bills. Assemblyman Feuer stated that he would re-visit passage of AB 52 next year when the Senate returns to session.