

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

APPROVAL OF HEALTHCARE INSURANCE RATE CHANGES. INITIATIVE

STATUTE. Requires health insurance rate changes to be approved by Insurance Commissioner before taking effect. Requires sworn statement by health insurer as to accuracy of information submitted to Insurance Commissioner to justify rate changes. Provides for public notice, disclosure and hearing on health insurance rate changes, and subsequent judicial review. Exempts employer large group health plans, unless requested or rate increase exceeds 10 percent. Prohibits health, auto and homeowners insurers from determining policy eligibility or rates based on lack of prior coverage or credit history. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased state administrative costs in the low tens of millions of dollars annually to regulate health insurance rates, funded with revenues collected from filing fees paid by health insurance companies.** (11-0072)