

File No. 140264

Committee Item No. _____

Board Item No. 26

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee _____

Date _____

Board of Supervisors Meeting

Date March 25, 2014

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget Analyst Report
- Legislative Analyst Report
- Introduction Form (for hearings)
- Department/Agency Cover Letter and/or Report
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- Grant Information Form
- Budget and Budget Justification
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- Agreement/Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

<input type="checkbox"/>	<input type="checkbox"/>	_____
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Completed by: Joy Lamug

Date March 20, 2014

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 20 pages. The complete document is in the file.

1 [Supporting Assembly Bill 1553 (Yamada) - Prohibit Long-Term Care Insurance Providers
2 from Charging Higher Premium Rates Based on Gender]

3 **Resolution supporting Assembly Bill 1553, authored by Assemblymember Mariko**
4 **Yamada, to prohibit long-term care insurance providers from charging higher premium**
5 **rates based on gender.**

6
7 WHEREAS, Long-Term Care Insurance (LTCI) is designed to reimburse policyholders
8 for long-term services and supports, including personal and custodial care, in a variety of
9 settings such as in a home or at a skilled nursing facility; and

10 WHEREAS, The nation's largest seller of LTCI reports that women account for 57% of
11 policy sales and account for two of every three dollars in claims paid out; and

12 WHEREAS, According to the American Association of Long-Term Care Insurance
13 (AALTCI), some of the major providers of LTCI in California are currently seeking to get
14 approval for products with rate increases based on gender, which in effect will shift a greater
15 burden of cost onto women; and

16 WHEREAS, According to AALTCI, almost 70% of women age 75 or older are widowed,
17 divorced, or never married, leaving them less likely to have spouses to care for them and
18 more likely to live in assisted living and nursing facilities; and

19 WHEREAS, Approximately 75% of California caregivers are women, most of which are
20 forced to give up formal work, leading to lost benefits and savings, and by the time women
21 need long-term care services, they are widowed and do not have the resources to pay for
22 such expensive care; and

23 WHEREAS, The Affordable Care Act prohibits insurers from charging women higher
24 premiums for health insurance policies, but long-term care insurance in California is classified
25 as disability insurance, so it is not bound by that law; and

1 WHEREAS, On January 28, 2014, Assemblymember Mariko Yamada introduced
2 Assembly Bill 1553 (AB 1553) to prohibit a long-term care insurance policy issued, amended,
3 or renewed on or after January 1, 2015, from charging a different premium, price, or charge
4 based on the sex of the contracting party, potential contracting party, or a person reasonably
5 expected to benefit from the policy; and

6 WHEREAS, The term "sex" would be defined for these purposes to mean a person's
7 gender, gender identity, and gender expression, as defined; and

8 WHEREAS, Without AB 1553, rates for women could rise as much as 40%; and

9 WHEREAS, The States of Montana and Colorado have already acted to prohibit
10 gender-based pricing for LTCI; now, therefore be it

11 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
12 hereby urges the California State Legislature to pass AB 1533 in order to prohibit gender
13 discrimination in one of the most vital and critical healthcare services in the State.
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ASSEMBLY BILL

No. 1553

**Introduced by Assembly Member Yamada
(Coauthor: Assembly Member Brown)**

January 27, 2014

An act to add Section 10232.98 to the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1553, as introduced, Yamada. Long-term care insurance: premium basis.

Existing law provides that long-term care insurance includes any insurance policy, certificate, or rider advertised, marketed, offered, solicited, or designed to provide coverage for diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services that are provided in a setting other than an acute care unit of a hospital. Long-term care insurance includes all products containing any of the following benefit types: coverage for institutional care including care in a nursing home, convalescent facility, extended care facility, custodial care facility, skilled nursing facility, or personal care home; home care coverage including home health care, personal care, homemaker services, hospice, or respite care; or community-based coverage including adult day care, hospice, or respite care. Long-term care insurance includes disability-based long-term care policies but does not include insurance designed primarily to provide Medicare supplement or major medical expense coverage.

This bill would prohibit a long-term care insurance policy issued, amended, or renewed on or after January 1, 2015, from charging a different premium, price, or charge based on the sex of the contracting

party, potential contracting party, or a person reasonably expected to benefit from the policy. The term “sex” would be defined for these purposes to mean a person’s gender, gender identity, and gender expression, as defined.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

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

1 SECTION 1. Section 10232.98 is added to the Insurance Code,
2 to read:

3 10232.98. (a) A long-term care insurance policy issued,
4 amended, or renewed on or after January 1, 2015, shall not be
5 subject to premium, price, or charge differentials because of the
6 sex of any contracting party, potential contracting party, or person
7 reasonably expected to benefit from the policy as a policyholder,
8 insured, or otherwise.

9 (b) For purposes of this section, the following terms have the
10 following meanings.

11 (1) “Sex” means a person’s gender, and includes a person’s
12 gender identity and gender expression.

13 (2) “Gender expression” means a person’s gender-related
14 appearance and behavior whether or not stereotypically associated
15 with the person’s assigned sex at birth.

O

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date _____

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee or as Special Order at Board.
- 4. Request for letter beginning "Supervisor: [] inquires"
- 5. City Attorney request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.

Sponsor(s):

Supervisors Chiu, Kim, Cohen

Subject:

Supporting Assembly Bill 1553 to Prohibit Long-Term Care Insurance Providers from Charging Higher Premium Rates Based on Gender

The text is listed below or attached:

See attached

Signature of Sponsoring Supervisor: *Parvill*

For Clerk's Use Only:

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