

AMENDED IN ASSEMBLY MARCH 9, 2023

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

**ASSEMBLY BILL**

**No. 571**

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**Introduced by Assembly Members Petrie-Norris and Wicks**  
*(Coauthors: Assembly Members Bauer-Kahan, Calderon, Cervantes, Friedman, Gabriel, Gipson, Haney, Jones-Sawyer, and Stephanie Nguyen)*

*(Coauthors: Senators Becker and Min)*

February 8, 2023

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An act to add Section 11589.1 to the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 571, as amended, Petrie-Norris. Medical malpractice insurance. Existing law generally regulates classes of insurance, including liability insurance. Existing law defines "liability insurance" to include, among other things, insurance coverage against the legal liability of the insured, and against loss, damage, or expense incident to a claim arising out of the death or injury of any person as the result of negligence or malpractice in rendering professional services by any person who holds a certificate or license issued pursuant to the Medical Practice Act or the Osteopathic Initiative Act, or a license as a community clinic or health facility, as specified.

This bill would prohibit an insurer from refusing to issue or renew or terminating professional liability insurance for health care providers and from imposing a surcharge or increasing the premium or deductible solely based on any prohibited bases for discrimination, including a health care provider offering or performing abortion, contraception,

*gender-affirming health care, or care related to those health care services that are lawful in this state but unlawful in another state.*

*The bill would prohibit an insurer from denying coverage for liability for damages arising from offering, performing, or rendering abortion, contraception, gender-affirming health care, or care related to those health care services, if those services are within the scope of the insured’s license and the policy would otherwise cover liability for damages arising from performing or rendering other professional services within the insured’s scope of license.*

~~Existing law generally regulates classes of insurance, including professional liability insurance such as medical malpractice insurance. Existing law generally exempts unincorporated interindemnity, reciprocal, or interinsurance contracts between members of a cooperative corporation that indemnify medical malpractice claims against physician and surgeon members from regulation, subject to specified exceptions.~~

~~This bill would state the intent of the Legislature to enact legislation relating to medical malpractice insurance.~~

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

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

1     SECTION 1. Section 11589.1 is added to the Insurance Code,  
 2     to read:

3     11589.1. (a) An insurer shall not refuse to issue or renew, nor  
 4     shall terminate, professional liability insurance for a health care  
 5     provider in this state, solely based on any prohibited bases for  
 6     discrimination set forth in subdivision (d).

7     (b) An insurer shall not increase premium, impose a surcharge  
 8     or other additional compensation or cost, or institute or increase  
 9     a deductible amount or other cost sharing payable by an insured,  
 10    solely based on any prohibited bases for discrimination set forth  
 11    in subdivision (d).

12    (c) An insurer providing professional liability insurance for  
 13    health care providers in this state shall not deny coverage for  
 14    liability for damages arising from offering, performing, or  
 15    rendering abortion, contraception, gender-affirming health care,  
 16    or care related to those health care services, if such services are  
 17    within the scope of the insured’s license and the policy would  
 18    otherwise cover liability for such damages arising from performing

1 or rendering other professional services within the insured’s scope  
2 of license.

3 (d) For purposes of this section, “prohibited bases for  
4 discrimination” include all of the following:

5 (1) A health care provider offers or performs abortion,  
6 contraception, gender-affirming health care, or care related to  
7 those health care services, that are lawful in this state, including,  
8 but not limited to, those that may be unlawful in another state.

9 (2) Another state’s laws create potential or actual liability for  
10 abortion, contraception, gender-affirming health care, or care  
11 related to those health care services offered or performed in this  
12 state.

13 (3) Legal or administrative action taken in another state against  
14 a health care provider concerning abortion, contraception,  
15 gender-affirming health care, or care related to those health care  
16 services, results or resulted in a judgment, conviction, or  
17 disciplinary action against the provider, if such health care  
18 services, as provided, are or would be lawful and consistent with  
19 the applicable standard of care in this state.

20 (e) This section applies to professional liability insurance  
21 marketed, offered, issued, amended, or renewed in this state for  
22 health care providers in this state.

23 (f) For purposes of this section, the following definitions shall  
24 apply:

25 (1) “Health care provider” means a person licensed under  
26 Division 2 (commencing with Section 500) of the Business and  
27 Professions Code to perform or render health care services in this  
28 state.

29 (2) “Offer or perform” means to offer, perform, provide,  
30 prescribe, dispense, furnish, or otherwise render health care items  
31 or services, as well as to aid or assist in the rendering of those  
32 items or services.

33 (3) “Professional liability insurance” means insurance against  
34 liability for damages caused by any act or omission of a person  
35 licensed to provide health care services in rendering professional  
36 services within this state issued by any insurer, including, but not  
37 limited to, a joint underwriting association, cooperative  
38 corporation, or reciprocal or interinsurance exchange.

39 ~~SECTION 1. It is the intent of the Legislature to enact~~  
40 ~~legislation relating to medical malpractice insurance.~~

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- 2 **REVISIONS:**
- 3 **Heading—Line 2.**
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