

## SB 900 STAFF MEASURE SUMMARY

### Senate Committee On Health Care

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**Prepared By:** Brian Nieuburt, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 3/25

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#### **WHAT THE MEASURE DOES:**

Imposes requirements and restrictions on financially interested dialysis treatment facilities that pays health insurance premiums for patients of the facilities. Defines "financially interested entity." Allows health insurers to refuse to reimburse financially interested entity if entity does not comply with requirements. Requires health insurers that receive premium payments from financially interested entities to report specified information to the Department of Consumer and Business Services.

*REVENUE: May have revenue impact, but no statement yet issued.*

*FISCAL: May have fiscal impact, but no statement yet issued.*

#### **ISSUES DISCUSSED:**

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

End-stage renal disease (ESRD) occurs when chronic kidney disease reached an advanced state and the kidneys are no longer able to work as they should to meet the body's needs. Individuals with ESRD need dialysis or a kidney transplant in order to stay alive. Individuals diagnosed with ESRD are eligible for Medicare. Reacting to concerns from insurers that participate in the Affordable Care Act marketplaces, in 2016 the Centers for Medicare and Medicaid Services (CMS) issued rules limiting third party payments for individual coverage purchased through the marketplace. California has also considered legislation addressing third party payments of insurance premiums for dialysis patients.

Senate Bill 900 imposes requirements and restrictions on financially interested dialysis treatment facilities that pays health insurance premiums for patients of the facilities.