

AMENDED IN ASSEMBLY MARCH 16, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2024**

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**Introduced by Assembly Member Friedman**

February 14, 2022

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An act to ~~repeal and add~~ *amend* Section 1367.65 of the Health and Safety Code, and to ~~repeal and add~~ *amend* Section 10123.81 of the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 2024, as amended, Friedman. Health care coverage: diagnostic imaging.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract issued, amended, delivered, or renewed on or after January 1, 2000, or an individual or group policy of disability insurance or self-insured employee welfare benefit plan to provide coverage for mammography for screening or diagnostic purposes upon referral by specified professionals.

This bill would require a health care service plan contract *or health insurance policy* issued, amended, or renewed on or after January 1, 2023, to provide coverage for medically necessary diagnostic or supplemental breast examinations, as defined, ~~without a~~ *for screening or diagnostic purposes upon* referral by specified professionals. The bill would ~~require the cost-sharing imposed for a diagnostic or supplemental breast examination to be the same as the cost-sharing~~

~~imposed for mammography under~~ *prohibit* a health care service plan contract *or health insurance policy* issued, amended, or renewed on or after January 1, ~~2023~~. *2023, from imposing cost sharing for medically necessary or supplemental breast examinations.*

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1     *SECTION 1. It is the intent of the Legislature to ensure that*  
2     *health care service plan contracts and health insurance policies*  
3     *provide coverage for both initial screening and diagnostic breast*  
4     *examinations and supplemental breast examinations deemed*  
5     *medically necessary and upon referral by a health care provider,*  
6     *without cost-sharing requirements.*

7     *SEC. 2. Section 1367.65 of the Health and Safety Code is*  
8     *amended to read:*

9     1367.65. (a) On or after January 1, 2000, each health care  
10    service plan contract, except a specialized health care service plan  
11    contract, that is issued, amended, delivered, or renewed shall be  
12    deemed to provide coverage for mammography for screening or  
13    diagnostic purposes upon referral by a participating nurse  
14    practitioner, participating certified nurse-midwife, participating  
15    physician assistant, or participating physician, providing care to  
16    the patient and operating within the scope of practice provided  
17    under existing law.

18    ~~(b) This section does not prevent application of copayment or~~  
19    ~~deductible provisions in a plan, nor shall this section be construed~~  
20    ~~to require that a plan be extended to cover any other procedures~~  
21    ~~under an individual or a group health care service plan contract.~~  
22    ~~This section does not authorize a plan enrollee to receive the~~  
23    ~~services required to be covered by this section if those services~~  
24    ~~are furnished by a nonparticipating provider, unless the plan~~  
25    ~~enrollee is referred to that provider by a participating physician,~~  
26    ~~nurse practitioner, or certified nurse-midwife providing care.~~

1 (b) A health care service plan contract issued, amended, or  
2 renewed on or after January 1, 2023, shall provide coverage for  
3 medically necessary diagnostic or supplemental breast examination  
4 for screening or diagnostic purposes upon the referral of a  
5 participating nurse practitioner, participating certified  
6 nurse-midwife, participating physician assistant, or participating  
7 physician, providing care to the patient and operating within the  
8 scope of practice provided under existing law.

9 (c) A health care service plan contract issued, amended, or  
10 renewed on or after January 1, 2023, shall not impose a deductible,  
11 coinsurance, copayment, or any other cost-sharing requirement  
12 for medically necessary diagnostic or supplemental breast  
13 examinations.

14 (d) For purposes of this section:

15 (1) “Breast magnetic resonance imaging” means a diagnostic  
16 tool that uses a powerful magnetic field, radio waves, and a  
17 computer to produce detailed pictures of the structures within the  
18 breast.

19 (2) “Breast ultrasound” means a noninvasive diagnostic tool  
20 that uses high-frequency sound.

21 (3) “Cost-sharing” means a deductible, coinsurance, or  
22 copayment, and any maximum limitation on the application of that  
23 deductible, coinsurance, or copayment, or a similar out-of-pocket  
24 expense.

25 (4) “Diagnostic breast examination” means a medically  
26 necessary and appropriate examination of the breast, including  
27 an examination using diagnostic mammography, breast magnetic  
28 resonance imaging, or breast ultrasound that is either of the  
29 following:

30 (A) Used to evaluate an abnormality seen or suspected from a  
31 screening examination for breast cancer.

32 (B) Necessary based on personal or family medical history or  
33 additional factors, including known genetic mutations, that may  
34 increase the individual’s risk of breast cancer.

35 (5) “Diagnostic mammography” means a diagnostic tool that  
36 uses x-ray and is designed to evaluate an abnormality in the breast.

37 (6) “Supplemental breast examination” means a medically  
38 necessary and appropriate examination of the breast, including  
39 an examination using breast magnetic resonance imaging or breast  
40 ultrasound that is either of the following:

1 (A) Used to screen for breast cancer when an abnormality is  
2 not seen or suspected.

3 (B) Necessary based on personal or family medical history or  
4 additional factors that may increase the individual’s risk of breast  
5 cancer.

6 SEC. 3. Section 10123.81 of the Insurance Code is amended  
7 to read:

8 10123.81. (a) An individual or group policy of disability  
9 insurance or self-insured employee welfare benefit plan shall be  
10 deemed to provide coverage for mammography for screening or  
11 diagnostic purposes upon the referral of a participating nurse  
12 practitioner, participating certified nurse-midwife, participating  
13 physician assistant, or participating physician, providing care to  
14 the patient and operating within the scope of practice provided  
15 under existing law.

16 ~~(b) This section does not prevent the application of copayment  
17 or deductible provisions in a policy, nor does this section require  
18 that a policy be extended to cover any other procedures under an  
19 individual or a group policy. This section does not authorize a  
20 policyholder to receive the services required to be covered by this  
21 section if those services are furnished by a nonparticipating  
22 provider, unless the policyholder is referred to that provider by a  
23 participating physician, nurse practitioner, or certified  
24 nurse-midwife providing care.~~

25 (b) A health insurance policy issued, amended, or renewed on  
26 or after January 1, 2023, shall provide coverage for medically  
27 necessary diagnostic or supplemental breast examination for  
28 screening or diagnostic purposes upon the referral of a  
29 participating nurse practitioner, participating certified  
30 nurse-midwife, participating physician assistant, or participating  
31 physician, providing care to the patient and operating within the  
32 scope of practice provided under existing law.

33 (c) A health insurance policy issued, amended, or renewed on  
34 or after January 1, 2023, shall not impose a deductible,  
35 coinsurance, copayment, or any other cost-sharing requirement  
36 for medically necessary diagnostic or supplemental breast  
37 examinations.

38 (e)

39 (d) This section shall not apply to specialized health insurance,  
40 Medicare supplement insurance, CHAMPUS supplement insurance,

1 or TRI-CARE supplement insurance, or to hospital indemnity,  
2 accident-only, or specified disease insurance.

3 (e) For purposes of this section:

4 (1) “Breast magnetic resonance imaging” means a diagnostic  
5 tool that uses a powerful magnetic field, radio waves, and a  
6 computer to produce detailed pictures of the structures within the  
7 breast.

8 (2) “Breast ultrasound” means a noninvasive diagnostic tool  
9 that uses high-frequency sound.

10 (3) “Cost-sharing” means a deductible, coinsurance, or  
11 copayment, and any maximum limitation on the application of that  
12 deductible, coinsurance, or copayment, or a similar out-of-pocket  
13 expense.

14 (4) “Diagnostic breast examination” means a medically  
15 necessary and appropriate examination of the breast, including  
16 an examination using diagnostic mammography, breast magnetic  
17 resonance imaging, or breast ultrasound that is either of the  
18 following:

19 (A) Used to evaluate an abnormality seen or suspected from a  
20 screening examination for breast cancer.

21 (B) Necessary based on personal or family medical history or  
22 additional factors, including known genetic mutations, that may  
23 increase the individual’s risk of breast cancer.

24 (5) “Diagnostic mammography” means a diagnostic tool that  
25 uses x-ray and is designed to evaluate an abnormality in the breast.

26 (6) “Supplemental breast examination” means a medically  
27 necessary and appropriate examination of the breast, including  
28 an examination using breast magnetic resonance imaging or breast  
29 ultrasound that is either of the following:

30 (A) Used to screen for breast cancer when an abnormality is  
31 not seen or suspected.

32 (B) Necessary based on personal or family medical history or  
33 additional factors that may increase the individual’s risk of breast  
34 cancer.

35 SEC. 4. No reimbursement is required by this act pursuant to  
36 Section 6 of Article XIII B of the California Constitution because  
37 the only costs that may be incurred by a local agency or school  
38 district will be incurred because this act creates a new crime or  
39 infraction, eliminates a crime or infraction, or changes the penalty  
40 for a crime or infraction, within the meaning of Section 17556 of

1 *the Government Code, or changes the definition of a crime within*  
2 *the meaning of Section 6 of Article XIII B of the California*  
3 *Constitution.*

4 ~~SECTION 1. Section 1367.65 of the Health and Safety Code~~  
5 ~~is repealed.~~

6 ~~SEC. 2. Section 1367.65 is added to the Health and Safety~~  
7 ~~Code, to read:~~

8 ~~1367.65. (a) A health care service plan contract issued,~~  
9 ~~amended, or renewed on or after January 1, 2023, shall provide~~  
10 ~~coverage for medically necessary diagnostic or supplemental breast~~  
11 ~~examination.~~

12 ~~(b) Cost-sharing imposed for a diagnostic or supplemental breast~~  
13 ~~examination shall be the same as the cost-sharing imposed for~~  
14 ~~mammography under a health care service plan contract issued,~~  
15 ~~amended, or renewed on or after January 1, 2023.~~

16 ~~(c) For purposes of this section:~~

17 ~~(1) “Breast magnetic resonance imaging” means a diagnostic~~  
18 ~~tool that uses a powerful magnetic field, radio waves, and a~~  
19 ~~computer to produce detailed pictures of the structures within the~~  
20 ~~breast.~~

21 ~~(2) “Breast ultrasound” means a noninvasive diagnostic tool~~  
22 ~~that uses high-frequency sound.~~

23 ~~(3) “Cost-sharing” means a deductible, coinsurance, or~~  
24 ~~copayment, and any maximum limitation on the application of that~~  
25 ~~deductible, coinsurance, or copayment, or a similar out-of-pocket~~  
26 ~~expense.~~

27 ~~(4) “Diagnostic breast examination” means a medically~~  
28 ~~necessary and appropriate examination of the breast, including an~~  
29 ~~examination using diagnostic mammography, breast magnetic~~  
30 ~~resonance imaging, breast ultrasound, or contrast-enhanced~~  
31 ~~mammography that is either of the following:~~

32 ~~(A) Used to evaluate an abnormality seen or suspected from a~~  
33 ~~screening examination for breast cancer.~~

34 ~~(B) Necessary based on personal or family medical history or~~  
35 ~~additional factors that may increase the individual’s risk of breast~~  
36 ~~cancer.~~

37 ~~(5) “Diagnostic mammography” means a diagnostic tool that~~  
38 ~~uses x-ray and is designed to evaluate an abnormality in the breast.~~

39 ~~(6) “Supplemental breast examination” means a medically~~  
40 ~~necessary and appropriate examination of the breast, including an~~

1 ~~examination using breast magnetic resonance imaging or breast~~  
2 ~~ultrasound that is either of the following:~~

3 ~~(A) Used to screen for breast cancer when an abnormality is~~  
4 ~~not seen or suspected.~~

5 ~~(B) Necessary based on personal or family medical history or~~  
6 ~~additional factors that may increase the individual's risk of breast~~  
7 ~~cancer.~~

8 ~~SEC. 3. Section 10123.81 of the Insurance Code is repealed.~~

9 ~~SEC. 4. Section 10123.81 is added to the Insurance Code, to~~  
10 ~~read:~~

11 ~~10123.81. (a) A health insurance policy issued, amended, or~~  
12 ~~renewed on or after January 1, 2023, shall provide coverage for~~  
13 ~~medically necessary diagnostic or supplemental breast examination.~~

14 ~~(b) Cost-sharing imposed for a diagnostic or supplemental breast~~  
15 ~~examination shall be the same as the cost-sharing imposed for~~  
16 ~~mammography under a health insurance policy issued, amended,~~  
17 ~~or renewed on or after January 1, 2023.~~

18 ~~(c) For purposes of this section:~~

19 ~~(1) "Breast magnetic resonance imaging" means a diagnostic~~  
20 ~~tool that uses a powerful magnetic field, radio waves, and a~~  
21 ~~computer to produce detailed pictures of the structures within the~~  
22 ~~breast.~~

23 ~~(2) "Breast ultrasound" means a noninvasive diagnostic tool~~  
24 ~~that uses high-frequency sound.~~

25 ~~(3) "Cost-sharing" means a deductible, coinsurance, or~~  
26 ~~copayment, and any maximum limitation on the application of that~~  
27 ~~deductible, coinsurance, or copayment, or a similar out-of-pocket~~  
28 ~~expense.~~

29 ~~(4) "Diagnostic breast examination" means a medically~~  
30 ~~necessary and appropriate examination of the breast, including an~~  
31 ~~examination using diagnostic mammography, breast magnetic~~  
32 ~~resonance imaging, breast ultrasound, or contrast-enhanced~~  
33 ~~mammography that is either of the following:~~

34 ~~(A) Used to evaluate an abnormality seen or suspected from a~~  
35 ~~screening examination for breast cancer.~~

36 ~~(B) Necessary based on personal or family medical history or~~  
37 ~~additional factors that may increase the individual's risk of breast~~  
38 ~~cancer.~~

39 ~~(5) "Diagnostic mammography" means a diagnostic tool that~~  
40 ~~uses x-ray and is designed to evaluate an abnormality in the breast.~~

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2     ~~necessary and appropriate examination of the breast, including an~~  
3     ~~examination using breast magnetic resonance imaging or breast~~  
4     ~~ultrasound that is either of the following:~~  
5     ~~(A) Used to screen for breast cancer when an abnormality is~~  
6     ~~not seen or suspected.~~  
7     ~~(B) Necessary based on personal or family medical history or~~  
8     ~~additional factors that may increase the individual’s risk of breast~~  
9     ~~cancer.~~  
10    ~~SEC. 5. No reimbursement is required by this act pursuant to~~  
11    ~~Section 6 of Article XIII B of the California Constitution because~~  
12    ~~the only costs that may be incurred by a local agency or school~~  
13    ~~district will be incurred because this act creates a new crime or~~  
14    ~~infraction, eliminates a crime or infraction, or changes the penalty~~  
15    ~~for a crime or infraction, within the meaning of Section 17556 of~~  
16    ~~the Government Code, or changes the definition of a crime within~~  
17    ~~the meaning of Section 6 of Article XIII B of the California~~  
18    ~~Constitution.~~