AMENDED IN ASSEMBLY MARCH 25, 2004

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

ASSEMBLY BILL

No. 2185

Introduced by Assembly Member Frommer

February 18, 2004

An act to add Section 1367.06 to the Health and Safety Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 2185, as amended, Frommer. Asthma treatment care.

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 violation of the act's requirements a crime. Under the act, a plan is required to provide coverage for specified types of medication and medical equipment medications.

This bill would require a health care service plan that covers outpatient prescription drug benefits and durable medical equipment to provide coverage for inhaler spaces, nebulizers, and peak flow meters when medically necessary for the management and treatment of pediatric asthma and to provide coverage for pediatric asthma outpatient self-management training and education.

Because the bill would specify additional requirements for a health care service plan, the violation of which would be a crime, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

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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. Section 1367.06 is added to the Health and 2 Safety Code, to read:

1367.06. (a) Every—A health care service plan contract, except a specialized health care service plan contract, that is issued, amended, delivered, or renewed on or after January 1, 2005, that covers outpatient prescription drug benefits shall include coverage for inhaler spacers when medically necessary for the management and treatment of *pediatric* asthma.

- (b) Every—A health care service plan contract, except a 10 specialized health care service plan contract, that is issued, amended, delivered, or renewed on or after January 1, 2005, that covers-durable medical equipment outpatient prescription drug benefits shall include coverage for the following equipment and supplies when medically necessary for the management and treatment of *pediatric* asthma:
 - (1) Nebulizers, including face masks and tubing.
 - (2) Peak flow meters.

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- (c) The quantity of the equipment and supplies required to be covered pursuant to subdivisions (a) and (b) may be limited by the health care service plan if the limitations do not inhibit appropriate compliance with treatment as prescribed by the enrollee's physician and surgeon. Every A health care service plan shall provide for an expeditious process for approving additional or replacement inhaler spacers, nebulizers, and peak flow meters when medically necessary for an enrollee to maintain compliance with his or her treatment regimen. The process required by Section 1367.24 may be used to satisfy the requirements of this section for an inhaler spacer.
- (d) The amount of the copayment, coinsurance, and deductible 30 for the benefits described in subdivisions (a) and (b) shall not exceed the amount established for similar benefits within the plan.

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(e) Nothing in this section shall be construed to require or authorize a plan that contracts with the State Department of Health Services to provide services to Medi-Cal beneficiaries or with the Managed Risk Medical Insurance Board to provide services to enrollees of the Healthy Families Program to provide coverage for prescription drugs or durable medical equipment that is not required pursuant to those programs or contracts or to limit or exclude any prescription drug or durable medical equipment benefits that are required by those programs or contracts.

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- (d) A health care service plan described in subdivision (a) shall provide coverage for pediatric asthma outpatient self-management training and education to enable an enrollee to properly use the medications and devices identified in subdivisions (b) and (c) and additional pediatric asthma outpatient self-management training and education, upon the direction or prescription of those services by the enrollee's participating physician.
- (e) The pediatric asthma outpatient self-management training and education services identified in subdivision (d) shall be provided under the supervision of an appropriately licensed or registered health care professional legally authorized to prescribe the service. If a plan delegates these services to a contracting provider, the plan shall require the contracting provider to ensure that pediatric asthma outpatient self-management training and education are provided under the supervision of an appropriately licensed or registered health care professional. These benefits shall include, but not be limited to, instruction that will enable pediatric asthmatic patients and their families to gain an understanding of the disease process and the daily management of asthma in order to avoid frequent hospitalizations and complications.
- (f) The coverage required by this section shall be provided under the same general terms and conditions, including copayments and deductibles, applicable to all other benefits provided by the plan.
- (g) A health care service plan shall disclose the benefits under this section in its evidence of coverage and disclosure forms.
- (h) A health care service plan may not reduce or eliminate coverage as a result of the requirements of this section.

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Constitution.

- (i) Nothing in this section shall be construed to deny or restrict in any way the department's authority to ensure plan compliance with this chapter, if a plan provides coverage for prescription drugs.
- 4 *drugs*.
 5 SEC. 2. No reimbursement is required by this act pursuant to 6 Section 6 of Article XIII B of the California Constitution because 7 the only costs that may be incurred by a local agency or school 8 district will be incurred because this act creates a new crime or 9 infraction, eliminates a crime or infraction, or changes the penalty 10 for a crime or infraction, within the meaning of Section 17556 of 11 the Government Code, or changes the definition of a crime within 12 the meaning of Section 6 of Article XIII B of the California