

ASSEMBLY BILL

No. 623

Introduced by Assembly Member Wood

February 24, 2015

An act to amend Section 1367.22 of the Health and Safety Code, relating to prescription drugs.

LEGISLATIVE COUNSEL'S DIGEST

AB 623, as introduced, Wood. Prescription drugs.

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 that act a crime. These provisions require specified services and drugs to be covered by the various plans. The act prohibits specified health care service plan contracts that cover prescription drug benefits from limiting or excluding coverage for a drug for an enrollee under specified conditions, including if the drug previously had been approved for coverage by the plan for a medical condition of the enrollee.

This bill would make technical, nonsubstantive changes to that provision. This bill would also state the intent of the Legislature to enact legislation to address the problem of prescription opioid pain reliever abuse and would make related findings and declarations.

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. The Legislature finds and declares the following:

1 (a) Prescription and over-the-counter (OTC) drugs are, after
2 marijuana and alcohol, the most commonly abused substances by
3 Americans over 14 years of age.

4 (b) Over two million people in the United States suffer from
5 substance use disorders related to prescription opioid pain relievers.

6 (c) More people die from overdoses of prescription opioid pain
7 relievers than from all other drugs combined, including heroin and
8 cocaine.

9 (d) Prescription opioid pain relievers can have effects similar
10 to heroin when taken in doses or in ways other than prescribed,
11 and research now suggests that abuse of these drugs may lead to
12 heroin abuse.

13 (e) Prescription opioid pain relievers can be particularly
14 dangerous when snorted, injected, or combined with other drugs
15 or alcohol.

16 SEC. 2. It is the intent of the Legislature to enact legislation
17 to address the problem of prescription opioid pain reliever abuse.

18 SEC. 3. Section 1367.22 of the Health and Safety Code is
19 amended to read:

20 1367.22. (a)— A health care service plan contract, issued,
21 amended, or renewed on or after July 1, 1999, that covers
22 prescription drug benefits shall not limit or exclude coverage for
23 a drug for an enrollee if the drug previously had been approved
24 for coverage by the plan for a medical condition of the enrollee
25 and the plan’s prescribing provider continues to prescribe the drug
26 for the medical condition, provided that the drug is appropriately
27 prescribed and is considered safe and effective for treating the
28 enrollee’s medical condition. ~~Nothing in this~~ This section shall *not*
29 preclude the prescribing provider from prescribing another drug
30 covered by the plan that is medically appropriate for the enrollee,
31 nor shall anything in this section be construed to prohibit generic
32 drug substitutions as authorized by Section 4073 of the Business
33 and Professions Code. For purposes of this section, a prescribing
34 provider shall include a provider authorized to write a prescription,
35 pursuant to subdivision (a) of Section 4059 of the Business and
36 Professions Code, to treat a medical condition of an enrollee.

37 (b)— This section does not apply to coverage for any drug that
38 is prescribed for a use that is different from the use for which that
39 drug has been approved for marketing by the federal Food and

1 Drug Administration. Coverage for different-use drugs is subject
2 to Section 1367.21.

3 (c)— This section shall not be construed to restrict or impair
4 the application of any other provision of this chapter, including,
5 but not limited to, Section 1367, which includes among its
6 requirements that plans furnish services in a manner providing
7 continuity of care and demonstrate that medical decisions are
8 rendered by qualified medical providers unhindered by fiscal and
9 administrative management.

10 (d)— This section does not prohibit a health care service plan
11 from charging a subscriber or enrollee a copayment or a deductible
12 for prescription drug benefits or from setting forth, by contract,
13 limitations on maximum coverage of prescription drug benefits,
14 provided that the copayments, deductibles, or limitations are
15 reported to, and held unobjectionable by, the director and set forth
16 to the subscriber or enrollee pursuant to the disclosure provisions
17 of Section 1363.

O