

AMENDED IN SENATE JUNE 9, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1831

Introduced by Assembly Member Low

February 9, 2016

An act to add Section 1367.249 to the Health and Safety Code, and to add Section 10123.209 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL’S DIGEST

AB 1831, as amended, Low. Health care coverage: prescription drugs: refills.

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 also provides for the regulation of health insurers by the Department of Insurance. Existing law imposes various requirements on health care service plan contracts and health insurance policies that cover prescription drug benefits.

This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after ~~January~~ *July* 1, 2017, that provides coverage for prescription drugs benefits to allow for early refills of covered topical ophthalmic products ~~at 70% of the predicted days of use.~~ *according to specified standards.* Because a willful violation of the bill’s requirements by a health care service plan would be a crime, the bill 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. 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 1367.249 is added to the Health and
2 Safety Code, to read:

3 1367.249. (a) A health care service plan contract issued,
4 amended, or renewed on or after ~~January~~ July 1, 2017, that provides
5 coverage for prescription drug benefits shall allow for early refills
6 of covered topical ophthalmic products ~~at 70 percent of the~~
7 ~~predicted days of use; according to the following standards:~~

8 (1) For a 30-day supply, at least 23 days and less than 30 days
9 from the later of either of the following:

10 (A) The original date that the prescription was distributed to
11 the enrollee.

12 (B) The date of the most recent refill that was distributed to the
13 enrollee.

14 (2) For a 90-day supply, at least 68 days and less than 90 days
15 from the later of either of the following:

16 (A) The original date that the prescription was distributed to
17 the enrollee.

18 (B) The date of the most recent refill that was distributed to the
19 enrollee.

20 (3) The refills requested by the enrollee do not exceed the
21 number of additional quantities prescribed by the enrollee's
22 participating health plan provider.

23 (b) Nothing in this section shall prevent a plan contract from
24 allowing for early refills at 70 percent of the predicted days of
25 use.

26 ~~(b)~~

27 (c) Nothing in this section shall be construed to establish a new
28 mandated benefit or to prevent the application of deductible or
29 copayment provisions in a plan contract.

30 SEC. 2. Section 10123.209 is added to the Insurance Code, to
31 read:

32 10123.209. (a) A health insurance policy issued, amended, or
33 renewed on or after ~~January~~ July 1, 2017, that provides coverage

1 for prescription drug benefits shall allow for early refills of covered
2 topical ophthalmic products ~~at 70 percent of the predicted days of~~
3 ~~use, according to the following standards:~~

4 (1) For a 30-day supply, at least 23 days and less than 30 days
5 from the later of either of the following:

6 (A) The original date that the prescription was distributed to
7 the insured.

8 (B) The date of the most recent refill that was distributed to the
9 insured.

10 (2) For a 90-day supply, at least 68 days and less than 90 days
11 from the later of either of the following:

12 (A) The original date that the prescription was distributed to
13 the insured.

14 (B) The date of the most recent refill that was distributed to the
15 insured.

16 (3) The refills requested by the insured do not exceed the number
17 of additional quantities prescribed by the insured's participating
18 health plan provider.

19 (b) Nothing in this section shall prevent a health insurance
20 policy from allowing for early refills at 70 percent of the predicted
21 days of use.

22 ~~(b)~~

23 (c) Nothing in this section shall be construed to establish a new
24 mandated benefit or to prevent the application of deductible or
25 copayment provisions in a health insurance policy.

26 SEC. 3. No reimbursement is required by this act pursuant to
27 Section 6 of Article XIII B of the California Constitution because
28 the only costs that may be incurred by a local agency or school
29 district will be incurred because this act creates a new crime or
30 infraction, eliminates a crime or infraction, or changes the penalty
31 for a crime or infraction, within the meaning of Section 17556 of
32 the Government Code, or changes the definition of a crime within
33 the meaning of Section 6 of Article XIII B of the California
34 Constitution.