

AMENDED IN SENATE AUGUST 15, 2016

AMENDED IN SENATE JUNE 9, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1831**

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**Introduced by Assembly Member Low**

February 9, 2016

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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 July 1, 2017, that provides coverage for prescription drugs benefits to allow for early refills of covered topical ophthalmic products 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 July 1, 2017, that provides  
5 coverage for prescription drug benefits shall allow for early refills  
6 of covered topical ophthalmic products according to the following  
7 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~~ or below 75 percent of the predicted  
25 days of use.

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

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

1 10123.209. (a) A health insurance policy issued, amended, or  
2 renewed on or after July 1, 2017, that provides coverage for  
3 prescription drug benefits shall allow for early refills of covered  
4 topical ophthalmic products according to the following standards:

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

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

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

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

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

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

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

20 (b) Nothing in this section shall prevent a health insurance policy  
21 from allowing for early refills at ~~70~~ *or below* 75 percent of the  
22 predicted days of use.

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.