ITUP
Insure the Uninsured Project

›› Legislative Update

2020 Introduced Legislation

March 12, 2020

The deadline for introducing legislation in the second year of the 2019-20 legislative session was February 21, 2020. This ***ITUP Legislative Update*** offers a preliminary review of newly introduced legislation, as well as two-year bills eligible for consideration, that affect health care and coverage. ITUP will be monitoring the progress of these and other health care bills in the coming months.

Preserving the Progress of the Affordable Care Act (ACA)

AB 2158 (Wood) – Indefinitely extends requirements that health plans cover preventive health care services without cost-sharing. Existing state law requires that a health plan cover preventive health services without cost-sharing, *to the extent required by federal law*. This bill deletes the contingency on federal law to maintain this ACA-related provision in state law in the event of federal changes.

AB 2159 (Wood) – Indefinitely extends the prohibition on health plans placing annual or lifetime dollar limits on covered benefits. Existing state law requires a health plan to comply with the prohibitions on annual or lifetime dollar limits, *to the extent required by federal law*. This bill deletes the contingency on federal law to maintain this ACA-related provision in state law in the event of federal changes.

SB 175 (Pan) – Indefinitely extends the prohibition on health plans placing annual or lifetime dollar limits on covered benefits. Existing state law requires a health plan to comply with the prohibitions on annual or lifetime dollar limits, *to the extent required by federal law*. This bill deletes the contingency on federal law to maintain this ACA-related provision in state law in the event of federal changes.

SB 406 (Pan) – Indefinitely extends the prohibition on health plans imposing annual or lifetime dollar limits on covered benefits. Existing state law requires a health plan to comply with the prohibition on annual or lifetime dollar limits, *to the extent required by federal law*. This bill deletes the contingency on federal law to maintain this ACA-related provision in state law in the event of federal changes.

Expanding Coverage and Improving Affordability

AB 1994 (Holden) – Automatically ends suspension of Medi-Cal eligibility for eligible juveniles on the date they are no longer an inmate of a public institution, or 3 years from the date they become an inmate of a public institution, whichever is sooner. Existing federal law prohibits Medi-Cal eligibility from being terminated while an eligible juvenile is incarcerated, but authorizes Medi-Cal benefits to be suspended. Existing federal law also requires counties to conduct a redetermination of eligibility for Medi-Cal prior to the release of an eligible juvenile.

AB 2032 (Wood) – Provides that Medi-Cal medical necessity standards do not prevent coverage and reimbursement for clinically appropriate and covered mental health or substance use disorder assessment, screening, or treatment before a diagnosis is determined. Existing law defines medically necessary services for individuals over age 21 as those services provided to protect life, prevent significant illness or disability, and to alleviate severe pain; medical necessity standards for individuals under 21 are governed by federal law.

AB 2203 (Nazarian) – Prohibits health plans from imposing a deductible, coinsurance, or similar cost-sharing on insulin prescriptions, other than copayments; limits copayments to $50 for a 30-day supply or $100 for a supply covering more than 30 days.

AB 2204 (Arambula) – Requires health plans to provide coverage for sexually transmitted disease (STD) testing and treatment provided by a noncontracting health facility licensed to provide these services at the same cost-sharing rate as an insured individual would pay for the same services at a contracting health facility. This bill also requires health plans to reimburse a noncontracting health facility providing STD testing and treatment at the same rate as a contracting health facility.

AB 2218 (Santiago) – Establishes the Transgender Wellness and Equity Fund, administered by the Department of Health Care Services (DHCS), to provide grants for transgender-led non-profit organizations and hospitals, health care clinics, and medical providers. Specifies that grants must fund the creation of programs or fund existing programs, that focus on coordinating trans-inclusive care, behavioral health care, and social services for individuals identifying as transgender, gender non-conforming, or intersex.

AB 2347 (Wood) – Reduces health plan premiums to zero for individuals enrolled in Covered California, the state's ACA exchange, with household incomes at or below 138 percent of the federal poverty level (FPL) ($35,535 annual income for a family of four). This bill also expands the existing state premium assistance to reduce premiums for individuals between 139 and 400 percent FPL to no more than eight percent of household income and for individuals between 401 and 600 percent FPL to 8-15 percent of household income, on a sliding scale basis. This bill also requires Covered California to provide cost-sharing assistance to reduce out-of-pocket costs, such as copayments and deductibles, for Covered California enrollees with incomes of 200-400 percent FPL. Existing state law establishes state-supported assistance for Covered California enrollees but does not include the level of specificity, such as cost-sharing assistance, required in this bill.

AB 2817 (Wood) – Creates the Office of Health Care Quality and Affordability (Office) to analyze cost trends, develop data-informed policies to lower health care costs, and create a strategy to control costs. This bill also requires the Office to be governed by a board, as specified, and requires health care entities to report specific data to the board. This bill requires the Office to set annual health care cost growth targets using the reported data beginning in the 2022 calendar year and authorizes the Office to impose civil penalties for violators of the targets.

SB 29 (Durazo) – Extends full-scope Medi-Cal benefits to income-eligible Californians above 65 years of age, regardless of immigration status, effective July 1, 2020, and authorizes the use of state funds if federal financial participation is unavailable for the expansion.

SB 65 (Pan) – Reduces health plan premiums to zero for individuals enrolled in Covered California, the state's ACA exchange, for individuals with household incomes at or below 138 percent of the federal poverty level (FPL) ($35,535 annual income for a family of four). This bill also expands the existing state premium assistance to reduce premiums for individuals between 139 and 400 percent FPL to no more than eight percent of household income and for individuals between 401 and 600 percent FPL to 8-15 percent of household income on a sliding scale basis. This bill also requires Covered California to provide cost-sharing assistance to reduce out-of-pocket costs, such as copayments and deductibles, for Covered California enrollees with incomes of 200-400 percent FPL. Existing state law establishes state-supported assistance for Covered California but does not include the level of specificity, such as cost-sharing assistance, required in this bill.

Protecting Consumers and Expanding Services

AB 1986 (Gipson) – Requires state-regulated health plans to provide coverage for colorectal cancer screening examinations and laboratory tests, including additional colorectal cancer screening examinations if an individual is at high risk for colorectal cancer. This bill also prohibits health plans from imposing cost-sharing for enrollees 50-75 years of age for colonoscopies, if specified criteria are met. The federal ACA requires individual or small group health plans to cover essential health benefits, such as preventive health services.

AB 2007 (Salas) – Clarifies that a Federally Qualified Health Center (FQHC) or Rural Health Center (RHC) visit for purposes of Medi-Cal reimbursement includes an encounter between a FQHC or RHC patient and a health care provider using telehealth, specifically by synchronous real-time or asynchronous Store and Forward methods. Existing law authorizes Medi-Cal reimbursement of telehealth services by Store and Forward methods and prohibits a requirement of in-person contact between a provider and a Medi-Cal patient when services are provided by Store and Forward.[1]

AB 2047 (Aguiar-Curry, Limón) – Requires the California Department of Public Health (CDPH) and the Diagnostic and Treatment Centers for Alzheimer's Disease, to develop and distribute a train-the-trainer toolkit to assess patient cognition and facilitate diagnosis. This bill requires CDPH to give primary consideration to the needs of underserved and rural communities when developing the toolkit and to measure the effectiveness of the toolkit, as specified, subject to an appropriation by the legislature.

SB 854 (Beall) – Prohibits regulated health plans from imposing prior authorization or step therapy requirements before authorizing coverage for a prescription medication approved by the Food and Drug Administration (FDA) for the treatment of substance use disorders. This bill also requires health plans to place prescription medications for substance use disorder treatment on the lowest cost-sharing tier of the health plan's prescription drug formulary.

Improving Mental Health and Substance Use Disorder Treatment

AB 1844 (Chu, Gonzalez) – Expands the specified reasons for when an employer must provide paid sick days to also include diagnosis, care, or treatment of an existing behavioral health condition or preventive care for an employee or an employee's family member. Existing law authorizes an employee to request a paid sick day for diagnosis, care, or treatment of an existing health condition for themselves or a family member.

AB 1938 (Eggman) – Allows Mental Health Services Act (MHSA) funds, to the extent funds are available, to be used to provide inpatient treatment in specified settings, including involuntary treatment of a patient who is a danger to themselves or others or is gravely disabled.

AB 1976 (Eggman) – Requires counties to offer court-ordered Assisted Outpatient [mental health] Treatment (AOT) for individuals who meet specified criteria pursuant to the Assisted Outpatient Treatment Demonstration Project Act of 2002, (Laura's Law). Existing law authorizes but does not require counties, until January 1, 2022, to voluntarily establish a Laura's Law program.

AB 2015 (Eggman) – Authorizes evidence presented in support of a certification decision for court-ordered intensive mental health treatment to include information regarding the person's medical condition and how that condition bears on certifying the person as a danger to themselves or others or as gravely disabled. Existing law authorizes a person detained under court order due to a mental health disorder, or impairment by chronic alcoholism, to be certified for up to 14 days of intensive treatment and requires that a certification review hearing be held where evidence can be presented.

AB 2242 (Levine) – Requires regulated health plans to cover mental health and evaluation services for individuals who are detained for 72-hour treatment and to schedule an initial outpatient appointment for that individual with a licensed mental health professional within 48 hours of the individual's release within reasonable proximity of the individual's business or personal residence. This bill also prohibits a noncontracting provider from charging the individual more than the cost-sharing amount that the individual would pay to a contracting provider.

AB 2265 (Quirk-Silva) – Authorizes counties to use MHSA funding to treat an individual with co-occurring mental health and substance use disorders when that individual would be eligible for mental health treatment as specified in the MHSA. This bill also authorizes counties to use MHSA funds to assess if an individual has co-occurring disorders and to treat a person who is preliminarily assessed to have co-occurring disorders, even if that individual is later determined not eligible for MHSA services.

AB 2266 (Quirk-Silva) – Requires DHCS to establish a pilot program in up to ten counties using MHSA funds to treat individuals with co-occurring mental health and substance use disorders when the individual is eligible for treatment of their mental health disorder under the MHSA. This bill authorizes participating counties to use MHSA funds to assess if an individual has co-occurring disorders and to treat a person who is preliminarily assessed to have co-occurring disorders, even if that individual is later determined not eligible for MHSA services. This bill also requires counties treating individuals with co-occurring disorders, who are found to no longer need mental health services, to quickly refer that individual to substance use disorder treatment services.

AB 2360 (Maienschein) – Requires DHCS to contract with a third-party provider to establish and administer a certified telepsychiatry doctor-to-doctor consultation service to provide primary care physicians with information about the mental health issues of children and perinatal women. This bill requires DHCS to choose three to five counties to establish pilot programs by July 1, 2021.

AB 2464 (Aguiar-Curry) – Establishes a grant program to fund a statewide pediatric behavioral telehealth network implemented by the California Health and Human Services (CHHS) Agency. Requires CHHS to use any funds appropriated for the program to build the clinical infrastructure for ten telehealth hubs throughout California.

AB 2871 (Fong) – Requires DHCS to ensure that reimbursement rates for Drug Medi-Cal and capitated rates for Medi-Cal managed care plans (MCPs) covering substance use disorder services are equal to the reimbursement rates for similar services provided through county Medi-Cal Specialty Mental Health Plans.

SB 803 (Beall) – Creates a peer support specialist certification program administered by the Department of Consumer Affairs. This bill also requires DHCS to amend the Medicaid state plan to include the certified peer support specialists as Medi-Cal providers, and as a distinct Medi-Cal service type. This bill also requires the Medi-Cal program to reimburse for peer support specialist services to the extent that federal financial participation is available.

Expanding the Health Care Workforce

AB 2164 (Rivas) – Establishes the E-Consult Services and Telehealth Assistance Program within DHCS, which may award grants of up to five years to health center-controlled networks, health centers, and rural health clinics to implement and test the effectiveness of e-consult and telehealth services.

AB 2175 (Gipson) – Requires the Commission on Teacher Credentialing to develop standards, as specified, and authorizes the Commission to approve a program offered by a local educational agency for one year of coursework beyond the baccalaureate degree to credential school nurses. Existing law establishes the minimum requirements of a services credential with a specialization in health for a school nurse, including a baccalaureate degree for a preliminary credential and an additional year beyond the baccalaureate degree in an approved program for a professional credential.

AB 2239 (Maienschein, Chiu) – Increases from $1 million to $2 the required annual transfer of funds from the Managed Care Administrative Fines and Penalties Fund administered by the Department of Managed Health Care (DMHC) to the Medically Underserved Account for physician loan repayment, as specified.

AB 2478 (Carrillo) – Requires the Medical Board of California (MBC) to conduct a study and submit recommendations to the legislature by January 1, 2022, on strategies to achieve specified goals relating to expanding the existing pool of international medical graduates.

SB 1278 (Bradford) – Specifies that a health care provider's generally accepted standards of practice under their license also apply while providing telehealth services. Existing law specifies that all laws governing professional responsibility, unprofessional conduct, and standards of practice apply to that provider while providing telehealth services.

Creating Greater Transparency, State Oversight, and Cost Containment

AB 2037 (Wicks) – Increases the public notice period for hospitals offering emergency services before a planned reduction or elimination of those emergency services from 90 days to 180 days, and from 30-90 days before a planned elimination or relocation of supplemental services, as specified. This bill also outlines the process for hospitals to notify the public of the changes.

AB 2100 (Wood) – Requires DHCS to establish an Independent Medical Review (IMR) system for the Medi-Cal outpatient pharmacy benefit similar to the IMR program currently administered by the DMHC.

Requires DHCS to efficiently process authorization requests for prescription drugs within 24 hours or one business day and provide at least a 72-hour supply of a drug in an emergency situation. This bill also requires DHCS to allow the continued use of a drug that was covered by a MCP and is part of a Medi-Cal beneficiary's treatment plan for a specified time, regardless of whether the drug is on the state Medi-Cal contract drug list. The governor's Executive Order N-01-19 related to pharmacy and prescription drugs, proposes, among other things, to transition Medi-Cal managed care pharmacy services to fee-for-service and requires DHCS to convene an advisory group focused on, among other items, the transition of the outpatient pharmacy benefit to fee-for-service.

AB 2118 (Kalra) – Expands the reporting requirements that health plans must report to their respective regulators, DMHC or California Department of Insurance (CDI), for products in the individual and small group markets, to include specified information on premiums, cost sharing, benefits, enrollment, and trend factors as reported in mandatory premium rate filings, including both price and utilization. Existing law requires health plans to report information that includes total earned premiums and total incurred claims at least 120 days before a rate change.

AB 2830 (Wood) – Moves up the timeline and expands the requirements for the Office of Statewide Health Planning and Development (OSHPD) to establish the Health Care Cost Transparency Database and collect health information related to health care cost, quality, and equity by January 1, 2022. Existing law requires OSHPD to implement and administer the Health Care Cost Transparency Database and collect cost information by January 1, 2023.

Improving the Social Determinants of Health

AB 1845 (Rivas, Luz, Chiu) – Creates the Governor's Office to End Homelessness, administered by the Secretary of Housing Insecurity and Homelessness. This bill tasks the office with coordinating the various federal, state, and local departments and agencies that provide housing and services to individuals experiencing homelessness. This bill also transfers specified duties, powers, employees, and assets of the Homeless Coordinating and Financing Council from the Business, Consumer Services, and Housing Agency to the Governor's Office to End Homelessness.

AB 2276 (Reyes, Garcia, Quirk, Salas) – Requires DHCS to ensure that a child enrolled in Medi-Cal receives blood lead screening tests at 12 and 24 months of age and that children 2-6 years old receive a blood lead screening test if no previous testing record exists for that child. This bill also requires DHCS to report testing progress on its website, establish a case management monitoring system, and notify a child's parent or guardian and health care provider when a child has missed a blood lead screening test. This bill requires Medi-Cal MCP contracts to incorporate standards for lead testing specified in this bill.

AB 2277 (Salas, Garcia, Quirk, Reyes) – Requires Medi-Cal MCPs to identify monthly every child enrolled in Medi-Cal that misses a blood lead screening test and notify that child's parent or guardian of the missed test and notify their health care provider of the need to perform such testing. This bill also requires DHCS to implement procedures to hold MCPs accountable for these requirements.

AB 2589 (Maienschein) – Expands the definition of permanent supportive housing for purposes of the No Place Like Home (NPLH) program to include adult residential facilities, residential care facilities for the elderly, and any innovative housing solution within the mental health continuum of care. Existing law defines permanent supportive housing as housing with no limit on length of stay that is linked to

onsite or offsite services. In 2016, Governor Brown signed landmark legislation requiring the No Place Like Home program to dedicate up to $2 billion in bond for permanent supportive housing for individuals who have a serious mental illness and are homeless, chronically homeless, or at risk of chronic homelessness.

AB 3300 (Santiago, Bloom, Bonta, Gipson, Quirk-Silva, Wicks) – Appropriates $2 billion from the General Fund to the Department of Housing and Community Development beginning in the 2020-21 fiscal year to provide local jurisdictions with ongoing grant funds to sustain and expand efforts to address their homelessness challenges. The $2 billion appropriation includes $1.1 billion for counties and continuums of care, $800 million for cities with populations of at least 300,000 people, and $100 million for nonprofit housing developers. Existing law requires the Business, Consumer Services, and Housing Agency to allocate $650 million to counties, continuums of care, and cities through one-time grant funds to move homeless individuals into permanent housing.

Bills to Watch

AB 1861 (Santiago) –This bill would make technical, nonsubstantive changes related to statutes affecting involuntary commitment for mental health treatment.

AB 1943 (Grayson) –This bill states the intent of the legislature to enact legislation that would help ensure that insulin is available and affordable to all Californians. Existing law requires health plans to cover diabetes management prescription items and limits coinsurance and deductibles for insulin and related supplies to those for similar benefits.

AB 1946 (Santiago, Friedman) – This bill states the intent of the legislature to enact legislation to reform the Lanterman-Petris-Short (LPS) Act, including expanding the definition of "gravely disabled" for purposes of involuntary inpatient treatment adding a condition in which a person is unable to provide for their medical treatment as a result of a mental health disorder. The Lanterman-Petris-Short Act authorizes the involuntary commitment and treatment of persons with specified mental health disorders for their protection.

AB 2042 (Wood) – This bill would make technical, nonsubstantive changes related to Medi-Cal coverage for continuous glucose monitors.

AB 2055 (Wood) – This bill would make technical, nonsubstantive changes related to county mental health plans.

AB 2130 (Arambula) –This bill states the intent of the legislature to enact legislation that increases the number of health care professionals in underserved communities.

AB 2576 (Gloria) – This bill states the intent of the legislature to enact legislation to use existing, unspent resources to assist individuals with mental illness who are also experiencing homelessness.

AB 2624 (Wood) – This bill would make technical, nonsubstantive changes related to the Office of Rural Health.

AB 2775 (Ting) – This bill states the intent of the legislature to ensure patients have timely access to health care services, including non-emergency follow-up appointments with mental health care

providers within ten business days. Existing regulations require mental health appointments within 10 days.

AB 2900 (Nazarian) – This bill would make technical, nonsubstantive changes related to publicly funded health care programs.

AB 2914 (Rivas) – This bill states the intent of the legislature to enact legislation to ensure all individuals encountering the criminal justice system and who are experiencing a mental health crisis or mental illness receive the proper care and treatment.

AB 2948 (Wood) – This bill states the intent of the legislature to enact legislation to appropriate a percentage of the revenues generated from the proposed tax on e-cigarettes into the Medically Underserved Account for Physicians.

AB 3003 (Cervantes) – This bill states the intent of the legislature to enact legislation to address the shortage of treatment options for women suffering from maternal mental health disorders, such as postpartum depression and anxiety.

AB 3063 (Garcia) – This bill states the intent of the legislature to enact legislation to require trauma-informed care training as part of continuing medical education, medical school curriculum, teacher and school administrator training, and training for social workers and mental health providers.

SB 852 (Pan) – This bill states the intent of the legislature to introduce legislation that requires the State of California to manufacture generic prescription drugs for the purposes of controlling prescription drug costs.

Acknowledgement

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[1] Synchronous real-time is a two-way interaction between a consumer and a provider using telecommunications technology. Asynchronous store and forward technologies allow for the electronic transmission of medical information through secure email communication.