

ASSEMBLY BILL

No. 2384

Introduced by Assembly Member Arambula

February 14, 2018

An act to add Section 1367.207 to the Health and Safety Code, and to add Section 10123.204 to the Insurance Code, relating to medication-assisted treatment.

LEGISLATIVE COUNSEL'S DIGEST

AB 2384, as introduced, Arambula. Medication-assisted treatment.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene), 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 provides for the regulation of health insurers by the Department of Insurance. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions.

Existing law requires the State Department of Health Care Services to license narcotic treatment programs to use narcotic replacement therapy in the treatment of addicted persons. Existing law specifies certain drugs, including methadone and buprenorphine, that are authorized for use in narcotic replacement therapy and medication-assisted treatment by licensed narcotic treatment programs. Existing law establishes the Drug Medi-Cal Treatment Program, under which the department is authorized to enter into contracts with each county for the provision of various alcohol and drug treatment services,

including substance use disorder services, narcotic treatment program services, naltrexone services, and outpatient drug-free services, to Medi-Cal beneficiaries.

This bill would require a drug formulary maintained by a health care service plan, including a Medi-Cal managed plan, or health insurer to include, at a minimum, specified prescription drugs for the medication-assisted treatment, as defined, of substance abuse disorders. The bill would provide that medication-assisted treatment is presumed to be medically necessary, and is not subject to specified requirements of a health care service plan or policy of health insurance, including prior authorization and an annual or lifetime dollar limit. Because a willful violation of the bill’s requirements relative to health care service plans 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 1367.207 is added to the Health and
 2 Safety Code, to read:
 3 1367.207. (a) A health care service plan that provides
 4 prescription drug benefits and maintains one or more drug
 5 formularies shall include, at a minimum, the following
 6 medication-assisted treatment prescription drugs for substance
 7 abuse disorders:
 8 (1) Buprenorphine.
 9 (2) Methadone.
 10 (3) Naloxone.
 11 (4) Extended-release injectable naltrexone.
 12 (5) A combination of buprenorphine and naloxone.
 13 (6) New formulations and medications as they are approved by
 14 the United States Food and Drug Administration (FDA) for the
 15 treatment of substance abuse disorders.

1 (b) Medication-assisted treatment provided pursuant to this
2 section is presumed to be medically necessary and is not subject
3 to the following:

4 (1) Prior authorization.

5 (2) An annual or lifetime dollar limit.

6 (3) A limitation to a predesignated facility, a specific number
7 of visits, days of coverage, scope or duration of treatment, or other
8 similar limitations.

9 (4) Financial requirements different than those for other illnesses
10 covered under the health care service plan.

11 (5) Step therapy, fail first policies, or other similar drug
12 utilization strategies or policies for patients that may conflict with
13 a prescribed course of treatment from a licensed health care
14 professional.

15 (c) The requirements of this section shall not be subject to an
16 insured's prior success or failure with the medication-assisted
17 treatment services provided.

18 (d) For purposes of this section, the following definitions apply:

19 (1) "Medication-assisted treatment" means the use of
20 medications, commonly in combination with counseling and
21 behavioral therapy, to provide a comprehensive approach to the
22 treatment of substance abuse disorders. Medication-assisted
23 treatment includes, but is not limited to, pharmacologic and
24 behavioral therapies.

25 (2) "Pharmacologic therapy" means a prescribed course of
26 treatment that may include methadone, buprenorphine, naltrexone,
27 or other FDA-approved or evidence-based medications for the
28 treatment of substance abuse disorders.

29 (3) "Behavioral therapy" means an individual, family, or group
30 therapy designed to help a patient engage in the treatment process,
31 modify a patient's attitude and behaviors related to substance abuse
32 disorders, and increase healthy life skills.

33 (4) "Medically necessary" means a service that is reasonable
34 and necessary to protect life, prevent significant illness or
35 significant disability, or to alleviate severe pain, as determined by
36 a treating licensed health care professional in consultation with
37 the patient.

38 (5) "Financial requirements" means a deductible, copayment,
39 coinsurance, or out-of-pocket maximum.

1 (e) For purposes of this section, “health care service plan”
 2 includes Medi-Cal managed care plans that contract with the State
 3 Department of Health Care Services pursuant to Chapter 7
 4 (commencing with Section 14000) and Chapter 8 (commencing
 5 with Section 14200) of Part 3 of Division 9 of the Welfare and
 6 Institutions Code.

7 SEC. 2. Section 10123.204 is added to the Insurance Code, to
 8 read:

9 10123.204. (a) A health insurer that provides prescription drug
 10 benefits and maintains one or more drug formularies shall include,
 11 at a minimum, the following medication-assisted treatment
 12 prescription drugs for substance abuse disorders:

- 13 (1) Buprenorphine.
- 14 (2) Methadone.
- 15 (3) Naloxone.
- 16 (4) Extended-release injectable naltrexone.
- 17 (5) A combination of buprenorphine and naloxone.
- 18 (6) New formulations and medications as they are approved by
 19 the United States Food and Drug Administration (FDA) for the
 20 treatment of substance abuse disorders.

21 (b) Medication-assisted treatment provided pursuant to this
 22 section is presumed to be medically necessary and is not subject
 23 to the following:

- 24 (1) Prior authorization.
- 25 (2) An annual or lifetime dollar limit.
- 26 (3) A limitation to a predesignated facility, a specific number
 27 of visits, days of coverage, scope or duration of treatment, or other
 28 similar limitations.
- 29 (4) Financial requirements different than those for other illnesses
 30 covered under the policy of health insurance.
- 31 (5) Step therapy, fail first policies, or other similar drug
 32 utilization strategies or policies for patients that may conflict with
 33 a prescribed course of treatment from a licensed health care
 34 professional.

35 (c) The requirements of this section shall not be subject to an
 36 enrollee’s prior success or failure with the medication-assisted
 37 treatment services provided.

38 (d) For purposes of this section, the following definitions apply:

- 39 (1) “Medication-assisted treatment” means the use of
 40 medications, commonly in combination with counseling and

1 behavioral therapy, to provide a comprehensive approach to the
2 treatment of substance abuse disorders. Medication-assisted
3 treatment includes, but is not limited to, pharmacologic and
4 behavioral therapies.

5 (2) “Pharmacologic therapy” means a prescribed course of
6 treatment that may include methadone, buprenorphine, naltrexone,
7 or other FDA-approved or evidence-based medications for the
8 treatment of substance abuse disorders.

9 (3) “Behavioral therapy” means an individual, family, or group
10 therapy designed to help a patient engage in the treatment process,
11 modify a patient’s attitude and behaviors related to substance abuse
12 disorders, and increase healthy life skills.

13 (4) “Medically necessary” means a service that is reasonable
14 and necessary to protect life, prevent significant illness or
15 significant disability, or to alleviate severe pain, as determined by
16 a treating licensed health care professional in consultation with
17 the patient.

18 (5) “Financial requirements” means a deductible, copayment,
19 coinsurance, or out-of-pocket maximum.

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