

Background Context

There are **5 major categories** of DME: personal mobility devices, bathroom safety devices, medical furniture, monitoring and therapeutic devices, and patient lifts.



Barriers to access to DME include: differences between insurance companies, lack of **transparency**; lack of **understanding** by health care professionals; varying health plan and policy **guidelines** on patient testing, clinical **policies, standards**, and documentation **requirements**; **communication** difficulties.

Bill Summary



Assembly Bill (AB) 1157 would require coverage of rehabilitative and habilitative services to include **durable medical equipment (DME)**, services, and repairs. DME prescriptions and orders would be required to include fittings, design, adjustment, programming, and other necessary services for the provision or maintenance of the devices. The bill would also **prohibit coverage** of DME from being subject to financial or treatment limitations, including annual caps or requirements limiting coverage of the devices to those for home use.

Insurance Subject to the Mandate

AB 1157 would apply to approximately **4.7 million enrollees** (12% of all Californians):

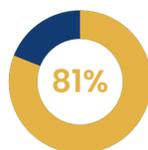
- Nongrandfathered individual and small-group plans/policies
- Medi-Cal
- Large group plans/policies
- Grandfathered plans/policies

EHB-Specific DME Covered Under Existing CA Law

- Blood glucose monitors, test strips, lancets, and lancets devices
- Canes (standard/quad)
- Crutches (standard/forearm)
- Cervical traction (over door)
- Enteral pump and supplies
- Infusion pumps and supplies to operate the pump (insulin/drugs not included)
- Tracheostomy tube and supplies
- Phototherapy blankets
- Peak flow meters
- Nebulizer and supplies
- IV pole

Benefit Coverage and Cost Impacts

AB 1157 does not delineate specific DME that would be covered. Estimates are based on a modeling scenario where coverage expansion would reflect DME covered by health plans/policies with the fewest coverage restrictions at baseline, without coverage caps or utilization review.



Postmandate, coverage for DME fully compliant with AB 1157 is estimated to **increase 81%** as enrollees without fully compliant coverage at baseline are expected to obtain coverage.



AB 1157 would increase total net annual expenditures by **\$26,411,000** or **0.02%** for enrollees with DMHC-regulated plans and CDI-regulated policies.

Long-Term Impacts



Qualitatively, CHBRP expects the **long-term impact** of AB 1157 would be an **increase** in utilization of DME should a greater number of items be classified as DME by DMHC and CDI or interpreted by plans/policies over time; however, CHBRP is **unable** to assess the likelihood of this occurring.