

ASSEMBLY BILL

No. 620

Introduced by Assembly Member Connolly

February 9, 2023

An act to amend Section 1374.56 of the Health and Safety Code, and to amend Section 10123.89 of the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 620, as introduced, Connolly. Health care coverage for metabolic disorders.

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 provides for the regulation of disability insurers, including health insurers, by the Department of Insurance. Existing law requires a health care service plan contract and disability insurance policy that provides coverage for hospital, medical, or surgical expenses and is issued, amended, delivered, or renewed on and after July 1, 2000, to provide coverage for the testing and treatment of phenylketonuria, including coverage for the formulas and special food products that are part of a prescribed diet, as specified.

This bill would require a health care service plan contract and disability insurance policy that provides coverage for hospital, medical, or surgical expenses and is issued, amended, delivered, or renewed on and after January 1, 2024, to provide coverage for the testing and treatment of other digestive and inherited metabolic disorders. Because a 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 1374.56 of the Health and Safety Code
 2 is amended to read:

3 1374.56. (a) On and after ~~July 1, 2000~~, *January 1, 2024*, every
 4 health care service plan contract, except a specialized health care
 5 service plan contract, issued, amended, delivered, or renewed in
 6 this state that provides coverage for hospital, medical, or surgical
 7 expenses shall provide coverage for the testing and treatment of
 8 phenylketonuria (PKU) *or other digestive and inherited metabolic*
 9 *disorders* under the terms and conditions of the plan contract.

10 (b) Coverage for treatment of ~~phenylketonuria (PKU)~~ *PKU or*
 11 *other digestive and inherited metabolic disorders* shall include
 12 those formulas and special food products that are part of a diet
 13 prescribed by a licensed physician and managed by a health care
 14 professional in consultation with a physician who specializes in
 15 the treatment of metabolic disease *or other digestive and inherited*
 16 *metabolic disorders* and who participates in or is authorized by
 17 the plan, provided that the diet is deemed medically necessary to
 18 avert the development of serious physical or mental disabilities or
 19 to promote normal development or function as a consequence of
 20 ~~phenylketonuria (PKU)~~. *PKU or other digestive and inherited*
 21 *metabolic disorders*.

22 (c) Coverage pursuant to this section is not required except to
 23 the extent that the cost of the necessary formulas and special food
 24 products exceeds the cost of a normal diet.

25 (d) For purposes of this section, the following definitions shall
 26 apply:

27 (1) "Formula" means an enteral product or enteral products for
 28 use at home that are prescribed by a physician or nurse practitioner,
 29 or ordered by a registered dietician upon referral by a health care
 30 provider authorized to prescribe dietary treatments, as medically

1 necessary for the treatment of ~~phenylketonuria (PKU)~~. *PKU or*
2 *other digestive and inherited metabolic disorders.*

3 (2) “Special food product” means a food product that is both
4 of the following:

5 (A) Prescribed by a physician or nurse practitioner for the
6 treatment of ~~phenylketonuria (PKU)~~ *PKU or other digestive and*
7 *inherited metabolic disorders* and is consistent with the
8 recommendations and best practices of qualified health
9 professionals with expertise germane to, and experience in the
10 treatment and care of, ~~phenylketonuria (PKU)~~. *PKU or other*
11 *digestive and inherited metabolic disorders.* It does not include a
12 food that is naturally low in protein, but may include a food product
13 that is specially formulated to have less than one gram of protein
14 per serving.

15 (B) Used in place of normal food products, such as grocery
16 store foods, used by the general population.

17 SEC. 2. Section 10123.89 of the Insurance Code is amended
18 to read:

19 10123.89. (a) On and after ~~July 1, 2000~~, *January 1, 2024*,
20 every policy of disability insurance issued, amended, delivered,
21 or renewed in this state that provides coverage for hospital,
22 medical, or surgical expenses shall provide coverage for the testing
23 and treatment of phenylketonuria (PKU) *or other digestive and*
24 *inherited metabolic disorders* under the terms and conditions of
25 the policy.

26 (b) Coverage for treatment of ~~phenylketonuria (PKU)~~ *PKU or*
27 *other digestive and inherited metabolic disorders* shall include
28 those formulas and special food products that are part of a diet
29 prescribed by a licensed physician and managed by a health care
30 professional in consultation with a physician who specializes in
31 the treatment of metabolic disease *or other digestive and inherited*
32 *metabolic disorders* and who participates in or is authorized by
33 the insurer, provided that the diet is deemed medically necessary
34 to avert the development of serious physical or mental disabilities
35 or to promote normal development or function as a consequence
36 of ~~phenylketonuria (PKU)~~. *PKU or other digestive and inherited*
37 *metabolic disorders.*

38 (c) Coverage pursuant to this section is not required except to
39 the extent that the cost of necessary formulas and special food
40 products exceeds the cost of a normal diet.

1 (d) For purposes of this section, the following definitions shall
2 apply:

3 (1) “Formula” means an enteral product or enteral products for
4 use at home that are prescribed by a physician or nurse practitioner,
5 or ordered by a registered dietician upon referral by a health care
6 provider authorized to prescribe dietary treatments, as medically
7 necessary for the treatment of ~~phenylketonuria (PKU)~~. *PKU or*
8 *other digestive and inherited metabolic disorders.*

9 (2) “Special food product” means a food product that is both of
10 the following:

11 (A) Prescribed by a physician or nurse practitioner for the
12 treatment of ~~phenylketonuria (PKU)~~ *PKU or other digestive and*
13 *inherited metabolic disorders* and is consistent with the
14 recommendations and best practices of qualified health
15 professionals with expertise germane to, and experience in the
16 treatment and care of, ~~phenylketonuria (PKU)~~. *PKU or other*
17 *digestive and inherited metabolic disorders.* It does not include a
18 food that is naturally low in protein, but may include a food product
19 that is specially formulated to have less than one gram of protein
20 per serving.

21 (B) Used in place of normal food products, such as grocery store
22 foods, used by the general population.

23 (e) This section shall not apply to vision-only, dental-only,
24 accident-only, specified disease, hospital indemnity, Medicare
25 supplement, long-term care, or disability income insurance, except
26 that for accident only, specified disease, or hospital indemnity
27 coverage, coverage for benefits under this section shall apply to
28 the extent that the benefits are covered under the general terms
29 and conditions that apply to all other benefits under the policy or
30 contract. ~~Nothing in this section shall be construed as imposing~~
31 *This section does not impose* a new benefit mandate on accident
32 only, specified disease, or hospital indemnity insurance.

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

1 the meaning of Section 6 of Article XIII B of the California
2 Constitution.

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