

Substantive

AMENDMENTS TO SENATE BILL NO. 1008

Amendment 1

On page 3, in line 26, after “and” insert:

at least one

Amendment 2

On page 3, in line 32, strike out “Plans shall not require” and strike out lines 33 and 34

Amendment 3

On page 3, strike out lines 39 and 40, on page 4, strike out lines 1 and 2, in line 3, strike out “(e)” and insert:

(d)

Amendment 4

On page 4, in line 6, strike out “(f)” and insert:

(e)

Amendment 5

On page 4, in line 15, after “and” insert:

at least one

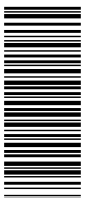
Amendment 6

On page 4, in line 22, strike out “Plans shall not require” and strike out lines 23 and 24

Amendment 7

On page 4, strike out lines 29 to 32, inclusive, in line 33, strike out “(e)” and insert:

(d)



Substantive

Amendment 8

On page 4, in line 36, strike out “(f)” and insert:

(e)

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SECURED
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PROPOSED AMENDMENTS TO SENATE BILL NO. 1008

SENATE BILL

No. 1008

Introduced by Senator Bradford

February 1, 2024

An act to add Section 1374.6 to the Health and Safety Code, and to add Section 10123.62 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 1008, as introduced, Bradford. Obesity Treatment Parity Act.

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's requirements a crime. Existing law provides for the regulation of disability and health insurers by the Department of Insurance. Existing law sets forth specified coverage requirements for plan contracts and insurance policies, and limits the copayment, coinsurance, deductible, and other cost sharing that may be imposed for specified health care services.

This bill would require an individual or group health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2025, to include comprehensive coverage for the treatment of obesity in the same manner as any other illness, condition, or disorder. ~~The bill would prohibit an individual or group health care service plan contract or health insurance policy from requiring more than 6 months of intensive behavioral therapy prior to granting access to other treatment options. The bill would also require that at least one FDA-approved antiobesity medication within the class of the relevant United States Pharmacopeia therapeutic category appear on, and be~~



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~~covered under, tier one of the health care service plan's or insurer's drug formulary.~~ *obesity, including coverage for intensive behavioral therapy, bariatric surgery, and at least one FDA-approved antiobesity medication.*

Because a willful violation of these provisions 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:

Page 2

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Obesity Treatment Parity Act.
- 3 SEC. 2. The Legislature finds and declares all of the following:
- 4 (a) Obesity is a serious chronic disease that is recognized as
- 5 such by major medical organizations, including the American
- 6 Medical Association since 2013, the American Association of
- 7 Clinical Endocrinology, the American College of Cardiology, the
- 8 Endocrine Society, the American Society for Reproductive
- 9 Medicine, the Society for Cardiovascular Angiography and
- 10 Interventions, the American Urological Association, and the
- 11 American College of Surgeons.
- 12 (b) Obesity is a complex chronic disease, one in which genetics,
- 13 the environment, and biology all play an important factor.
- 14 (c) Obesity is linked to more than 200 comorbid conditions.
- 15 (d) Obesity is associated with an increased risk of 13 types of
- 16 cancer.
- 17 (e) From 2005 to 2014, most cancers associated with obesity
- 18 and being overweight increased in the United States, while cancers
- 19 associated with other factors decreased.
- 20 (f) Obesity reduces a patient's overall survival rate and
- 21 cancer-specific survival rate, as well as increases the risk of cancer
- 22 recurrence.
- 23 (g) Obesity disproportionately affects communities of color.

Page 2 24 (h) Obesity is impacted by socioeconomic status.
 25 (i) Adults suffering from obesity have a 55 percent higher risk
 26 of developing depression over their lifetime.

Page 3 1 (j) Obesity accounts for 47 percent of the total cost of chronic
 2 diseases in the United States.
 3 (k) Obesity is a highly stigmatized disease.
 4 (l) Barriers to accessing obesity treatments include stigma,
 5 racism, and discrimination.
 6 (m) The California Code of Regulations currently requires
 7 coverage of outpatient prescription drugs for the treatment of
 8 obesity, but only when a patient is diagnosed with “morbid
 9 obesity,” modernly referred to as “severe obesity.”
 10 (n) Chronic diseases without the stigma, racism, and
 11 discrimination of obesity do not require patients to reach the
 12 designation of “morbid” to be worthy of treatment options that
 13 include outpatient prescription drugs.
 14 (o) The Obesity Treatment Parity Act would address health
 15 equity gaps and social determinants of health for Californians by
 16 ensuring the full range of treatment options are available to
 17 patients, without them having to reach a level of obesity considered
 18 “morbid.”
 19 SEC. 3. Section 1374.6 is added to the Health and Safety Code,
 20 to read:
 21 1374.6. (a) An individual or group health care service plan
 22 contract that provides coverage for outpatient prescription drug
 23 benefits that is issued, amended, or renewed on or after January
 24 1, 2025, shall include coverage for the treatment of obesity,
 25 including coverage for intensive behavioral therapy, bariatric
 26 surgery, and *at least one* FDA-approved antiobesity medication.
 27 (b) This section does not prohibit a plan from applying
 28 utilization management to determine the medical necessity for
 29 treatment of obesity under this section if appropriateness and
 30 medical necessity determinations are made in the same manner as
 31 those determinations are made for the treatment of any other illness,
 32 condition, or disorder covered by a contract. ~~Plans shall not require~~
 33 ~~more than six months of intensive behavioral therapy prior to~~
 34 ~~granting access to other treatment options required by this section.~~
 35 (c) For purposes of this section, “FDA-approved antiobesity
 36 medication” means a medication approved by the United States

| **Amendment 1**

| **Amendment 2**

PROPOSED AMENDMENTS

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SUBSTANTIVE**

SB 1008

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Page 3 37 Food and Drug Administration with an indication for chronic
 38 weight management in patients with obesity.
 39 ~~(d) At least one FDA-approved antiobesity medication within~~
 40 ~~the class of the relevant United States Pharmacopeia therapeutic~~
 Page 4 1 ~~category shall appear on, and be covered pursuant to, tier one of~~
 2 ~~the plan’s drug formulary.~~
 3 (e)
 + (d) Coverage criteria for FDA-approved antiobesity medications
 4 shall not be more restrictive than the FDA-approved indications
 5 for those treatments.
 6 (f)
 + (e) This section does not apply to a specialized health care
 7 service plan contract that covers only dental or vision benefits or
 8 a Medicare supplement contract.
 9 SEC. 4. Section 10123.62 is added to the Insurance Code, to
 10 read:
 11 10123.62. (a) An individual or group health insurance policy
 12 that provides coverage for outpatient prescription drug benefits
 13 that is issued, amended, or renewed on or after January 1, 2025,
 14 shall include coverage for the treatment of obesity, including
 15 coverage for intensive behavioral therapy, bariatric surgery, and
 16 *at least one* FDA-approved antiobesity medication.
 17 (b) This section does not prohibit an insurer from applying
 18 utilization management to determine the medical necessity for
 19 treatment of obesity under this section if appropriateness and
 20 medical necessity determinations are made in the same manner as
 21 those determinations are made for the treatment of any other illness,
 22 condition, or disorder covered by a policy. ~~Plans shall not require~~
 23 ~~more than six months of intensive behavioral therapy prior to~~
 24 ~~granting access to other treatment options required by this section.~~
 25 (c) For purposes of this section, “FDA-approved antiobesity
 26 medication” means a medication approved by the United States
 27 Food and Drug Administration with an indication for chronic
 28 weight management in patients with obesity.
 29 ~~(d) At least one FDA-approved antiobesity medication within~~
 30 ~~the class of the relevant United States Pharmacopeia therapeutic~~
 31 ~~category shall appear on, and be covered pursuant to, tier one of~~
 32 ~~the insurer’s drug formulary.~~
 33 (e)

Amendment 3

Amendment 4

Amendment 5

Amendment 6

Amendment 7

Page 4 + (d) Coverage criteria for FDA-approved antiobesity medications
34 shall not be more restrictive than the FDA-approved indications
35 for those treatments.

36 (f)

+ (e) This section does not apply to a specialized health insurance
37 policy that covers only dental or vision benefits or a Medicare
38 supplement policy.

Page 5 39 SEC. 5. No reimbursement is required by this act pursuant to
40 Section 6 of Article XIII B of the California Constitution because
1 the only costs that may be incurred by a local agency or school
2 district will be incurred because this act creates a new crime or
3 infraction, eliminates a crime or infraction, or changes the penalty
4 for a crime or infraction, within the meaning of Section 17556 of
5 the Government Code, or changes the definition of a crime within
6 the meaning of Section 6 of Article XIII B of the California
7 Constitution.

Amendment 8

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