

Introduced by Senator CedilloFebruary 17, 2010

An act to amend Section 1367.51 of the Health and Safety Code, and to amend Section 10176.61 of the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 1104, as introduced, Cedillo. Health care coverage: diabetes-related complications.

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 also provides for the regulation of health insurers by the Department of Insurance. Existing law requires specified health care service plan contracts and health insurance policies to provide coverage for certain equipment, supplies, and medications for the treatment of diabetes, including podiatric devices to prevent or treat diabetes-related complications. Existing law also requires a plan or insurer to provide coverage for diabetes outpatient self-management training, education, and medical nutrition therapy necessary to enable an enrollee or insured to properly use the equipment, supplies, and medications.

This bill would require health care service plan contracts and health insurance policies to also provide coverage for the diagnosis and treatment of diabetes-related complications, as specified. Because a willful violation of this requirement 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 1367.51 of the Health and Safety Code
 2 is amended to read:

3 1367.51. (a) Every health care service plan contract, except a
 4 specialized health care service plan contract, that is issued,
 5 amended, delivered, or renewed on or after January 1, 2000, and
 6 that covers hospital, medical, or surgical expenses shall include
 7 coverage for the following equipment and supplies for the
 8 management and treatment of insulin-using diabetes,
 9 non-insulin-using diabetes, and gestational diabetes as medically
 10 necessary, even if the items are available without a prescription:

- 11 (1) Blood glucose monitors and blood glucose testing strips.
- 12 (2) Blood glucose monitors designed to assist the visually
 13 impaired.
- 14 (3) Insulin pumps and all related necessary supplies.
- 15 (4) Ketone urine testing strips.
- 16 (5) Lancets and lancet puncture devices.
- 17 (6) Pen delivery systems for the administration of insulin.
- 18 (7) Podiatric devices to prevent or treat diabetes-related
 19 complications.
- 20 (8) Insulin syringes.
- 21 (9) Visual aids, excluding eyewear, to assist the visually
 22 impaired with proper dosing of insulin.

23 (b) Every health care service plan contract, except a specialized
 24 health care service plan contract, that is issued, amended, delivered,
 25 or renewed on or after January 1, 2000, that covers prescription
 26 benefits shall include coverage for the following prescription items
 27 if the items are determined to be medically necessary:

- 28 (1) Insulin.
- 29 (2) ~~Prescriptive~~ *Prescription* medications for the treatment of
 30 diabetes.

1 (3) Glucagon.

2 (c) *Every health care service plan contract, except a specialized*
3 *health care service plan contract, that is issued, amended,*
4 *delivered, or renewed on or after January 1, 2011, and that covers*
5 *hospital, medical, or surgical expenses, shall provide coverage*
6 *for the diagnosis and treatment of diabetes-related complications.*
7 *With respect to contracts that cover prescription benefits, the*
8 *coverage required by this subdivision shall include coverage of*
9 *prescription medications for the treatment of diabetes-related*
10 *complications. For purposes of this subdivision, “diabetes-related*
11 *complications” includes, but is not limited to, diabetic peripheral*
12 *neuropathy.*

13 ~~(e)~~

14 (d) The copayments and deductibles for the benefits specified
15 in subdivisions (a)~~and~~, (b), and (c) shall not exceed those
16 established for similar benefits within the given plan.

17 ~~(d)~~

18 (e) Every plan shall provide coverage for diabetes outpatient
19 self-management training, education, and medical nutrition therapy
20 necessary to enable an enrollee to properly use the equipment,
21 supplies, and medications set forth in subdivisions (a) and (b), and
22 additional diabetes outpatient self-management training, education,
23 and medical nutrition therapy upon the direction or prescription
24 of those services by the enrollee’s participating physician. If a plan
25 delegates outpatient self-management training to contracting
26 providers, the plan shall require contracting providers to ensure
27 that diabetes outpatient self-management training, education, and
28 medical nutrition therapy are provided by appropriately licensed
29 or registered health care professionals.

30 ~~(e)~~

31 (f) The diabetes outpatient self-management training, education,
32 and medical nutrition therapy services identified in subdivision
33 ~~(d)~~ (e) shall be provided by appropriately licensed or registered
34 health care professionals as prescribed by a participating health
35 care professional legally authorized to prescribe the service. These
36 benefits shall include, but not be limited to, instruction that will
37 enable diabetic patients and their families to gain an understanding
38 of the diabetic disease process, and the daily management of
39 diabetic therapy, in order to thereby avoid frequent hospitalizations
40 and complications.

1 ~~(f)~~
2 (g) The copayments for the benefits specified in subdivision ~~(d)~~
3 (e) shall not exceed those established for physician office visits
4 by the plan.

5 ~~(g)~~
6 (h) Every health care service plan governed by this section shall
7 disclose the benefits covered pursuant to this section in the plan's
8 evidence of coverage and disclosure forms.

9 ~~(h)~~
10 (i) A health care service plan may not reduce or eliminate
11 coverage as a result of the requirements of this section.

12 ~~(i)~~
13 (j) Nothing in this section shall be construed to deny or restrict
14 in any way the department's authority to ensure plan compliance
15 with this chapter when a plan provides coverage for prescription
16 drugs.

17 SEC. 2. Section 10176.61 of the Insurance Code is amended
18 to read:

19 10176.61. (a) Every insurer issuing, amending, delivering, or
20 renewing a ~~disability~~ *health* insurance policy on or after January
21 1, 2000, ~~that covers hospital, medical, or surgical expenses~~ shall
22 include coverage for the following equipment and supplies for the
23 management and treatment of insulin-using diabetes,
24 non-insulin-using diabetes, and gestational diabetes as medically
25 necessary, even if the items are available without a prescription:

26 (1) Blood glucose monitors and blood glucose testing strips.

27 (2) Blood glucose monitors designed to assist the visually
28 impaired.

29 (3) Insulin pumps and all related necessary supplies.

30 (4) Ketone urine testing strips.

31 (5) Lancets and lancet puncture devices.

32 (6) Pen delivery systems for the administration of insulin.

33 (7) Podiatric devices to prevent or treat diabetes-related
34 complications.

35 (8) Insulin syringes.

36 (9) Visual aids, excluding eyewear, to assist the visually
37 impaired with proper dosing of insulin.

38 (b) Every insurer issuing, amending, delivering, or renewing a
39 ~~disability~~ *health* insurance policy on or after January 1, 2000, that
40 covers prescription benefits shall include coverage for the following

1 prescription items if the items are determined to be medically
2 necessary:

3 (1) Insulin.

4 (2) ~~Prescriptive~~ *Prescription* medications for the treatment of
5 diabetes.

6 (3) Glucagon.

7 (c) *Every health insurance policy that is issued, amended,*
8 *delivered, or renewed on or after January 1, 2011, shall provide*
9 *coverage for the diagnosis and treatment of diabetes-related*
10 *complications. With respect to policies that cover prescription*
11 *benefits, the coverage required by this subdivision shall include*
12 *coverage of prescription medications for the treatment of*
13 *diabetes-related complications. For purposes of this subdivision,*
14 *“diabetes-related complications” includes, but is not limited to,*
15 *diabetic peripheral neuropathy.*

16 (e)

17 (d) The coinsurances and deductibles for the benefits specified
18 in subdivisions (a) ~~and~~, (b), *and* (c) shall not exceed those
19 established for similar benefits within the given policy.

20 (d)

21 (e) Every *health* insurer shall provide coverage for diabetes
22 outpatient self-management training, education, and medical
23 nutrition therapy necessary to enable an insured to properly use
24 the equipment, supplies, and medications set forth in subdivisions
25 (a) and (b) and additional diabetes outpatient self-management
26 training, education, and medical nutrition therapy upon the
27 direction or prescription of those services by the insured’s
28 participating physician. If ~~an~~ *a health* insurer delegates outpatient
29 self-management training to contracting providers, the insurer shall
30 require contracting providers to ensure that diabetes outpatient
31 self-management training, education, and medical nutrition therapy
32 are provided by appropriately licensed or registered health care
33 professionals.

34 (e)

35 (f) The diabetes outpatient self-management training, education,
36 and medical nutrition therapy services identified in subdivision
37 (d) (e) shall be provided by appropriately licensed or registered
38 health care professionals as prescribed by a health care professional
39 legally authorized to prescribe the services.

40 (f)

1 (g) The coinsurances and deductibles for the benefits specified
2 in subdivision ~~(d)~~ (e) shall not exceed those established for
3 physician office visits by the insurer.

4 ~~(g)~~

5 (h) Every ~~disability~~ health insurer governed by this section shall
6 disclose the benefits covered pursuant to this section in the insurer's
7 evidence of coverage and disclosure forms.

8 ~~(h) An~~

9 (i) A health insurer may not reduce or eliminate coverage as a
10 result of the requirements of this section.

11 ~~(i)~~

12 (j) This section does not apply to vision-only, dental-only,
13 accident-only, specified disease, hospital indemnity, Medicare
14 supplement, long-term care, or disability income insurance, except
15 that for accident-only, specified disease, and hospital indemnity
16 insurance coverage, benefits under this section only apply to the
17 extent that the benefits are covered under the general terms and
18 conditions that apply to all other benefits under the policy. Nothing
19 in this section may be construed as imposing a new benefit mandate
20 on accident-only, specified disease, or hospital indemnity
21 insurance.

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