

ASSEMBLY BILL

No. 1738

Introduced by Assembly Member Huffman

February 16, 2012

An act to add Section 1367.667 to the Health and Safety Code, and to add Section 10123.25 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 1738, as introduced, Huffman. Health care coverage: tobacco cessation.

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 health care service plan contracts and health insurance policies to provide coverage, and not impose cost-sharing requirements, for certain preventive services, including evidence-based items or services with a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force, as specified.

This bill would require health care service plan contracts and health insurance policies issued, amended, renewed, or delivered on or after January 1, 2013, to provide coverage for 2 courses of treatment in a 12-month period for tobacco cessation preventive services rated "A" or "B" by the United States Preventive Services Task Force, and would prohibit plans and insurers from charging a copayment, coinsurance, or deductible for those services. The bill would also prohibit a plan or insurer from requiring enrollees or insureds to enter counseling in order

to receive tobacco cessation medications or from imposing prior authorization or stepped-care requirements on tobacco cessation treatments.

Because a willful violation of the bill’s provisions 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. The Legislature hereby finds and declares the
2 following:

3 (a) It is the intent of the Legislature that this act diminish the
4 statewide economic and personal cost of tobacco addiction by
5 making tobacco cessation treatments available to all smokers.

6 (b) Cigarette smoking and other uses of tobacco remain the
7 leading cause of preventable death in California, as well as the
8 cause of many other serious health problems, including heart
9 disease, emphysema, and other chronic illnesses.

10 (c) The treatment of tobacco-related diseases continues to
11 impose a significant burden on California’s health care system,
12 including local and state-funded health care systems. Tobacco use
13 costs Californians billions of dollars a year in medical expenses
14 and lost productivity.

15 (d) Providing tobacco cessation counseling and medication is
16 one of the most clinically effective and cost-effective health
17 services available, second only to inoculations.

18 (e) Reducing the smoking rate in California by one percentage
19 point will result in approximately \$91 million saved over five years
20 from fewer smoking-caused heart attacks and strokes.

21 (f) The United States Public Health Service Clinical Practice
22 Guideline entitled Treating Tobacco Use and Dependence has
23 identified the medications and counseling that are scientifically
24 proven to be effective in helping smokers quit.

1 SEC. 2. Section 1367.667 is added to the Health and Safety
2 Code, to read:

3 1367.667. (a) (1) A health care service plan contract issued,
4 amended, renewed, or delivered on or after January 1, 2013, shall
5 cover a minimum of two courses of treatment in a 12-month period
6 for all tobacco cessation preventive services rated “A” or “B” by
7 the United States Preventive Services Task Force, which shall
8 include counseling and over-the-counter medication and
9 prescription pharmacotherapy approved by the federal Food and
10 Drug Administration.

11 (2) No copayment, coinsurance, or deductible shall be applied
12 to the benefits covered under this section.

13 (3) As used in this section, “course of treatment” shall be defined
14 to consist of the following:

15 (A) As applied to counseling, at least four sessions of
16 counseling, which may be telephone, group, or individual
17 counseling with each session lasting at least 10 minutes.

18 (B) As applied to a prescription or over-the-counter medication,
19 the duration of treatment approved by the federal Food and Drug
20 Administration for that medication.

21 (4) Enrollees shall not be required to enter counseling in order
22 to receive tobacco cessation medications.

23 (5) A health care service plan shall not impose prior
24 authorization or stepped-care requirements on tobacco cessation
25 treatments.

26 (b) This section shall not apply to Medicare supplement plan
27 contracts or to specialized health care service plan contracts.

28 SEC. 3. Section 10123.25 is added to the Insurance Code, to
29 read:

30 10123.25. (a) (1) A health insurance policy issued, amended,
31 renewed, or delivered on or after January 1, 2013, shall cover a
32 minimum of two courses of treatment in a 12-month period for all
33 tobacco cessation preventive services rated “A” or “B” by the
34 United States Preventive Services Task Force, which shall include
35 counseling and over-the-counter medication and prescription
36 pharmacotherapy approved by the federal Food and Drug
37 Administration.

38 (2) No copayment, coinsurance, or deductible shall be applied
39 to the benefits covered under this section.

1 (3) As used in this section, “course of treatment” shall be defined
2 to consist of the following:

3 (A) As applied to counseling, at least four sessions of
4 counseling, which may be telephone, group, or individual
5 counseling with each session lasting at least 10 minutes.

6 (B) As applied to a prescription or over-the-counter medication,
7 the duration of treatment approved by the federal Food and Drug
8 Administration for that medication.

9 (4) Insureds shall not be required to enter counseling in order
10 to receive tobacco cessation medications.

11 (5) A health insurer shall not impose prior authorization or
12 stepped-care requirements on tobacco cessation treatments.

13 (b) This section shall not apply to Medicare supplement policies
14 or to specialized health insurance policies.

15 SEC. 4. No reimbursement is required by this act pursuant to
16 Section 6 of Article XIII B of the California Constitution because
17 the only costs that may be incurred by a local agency or school
18 district will be incurred because this act creates a new crime or
19 infraction, eliminates a crime or infraction, or changes the penalty
20 for a crime or infraction, within the meaning of Section 17556 of
21 the Government Code, or changes the definition of a crime within
22 the meaning of Section 6 of Article XIII B of the California
23 Constitution.