

AMENDED IN SENATE MARCH 27, 2006
AMENDED IN SENATE FEBRUARY 27, 2006
AMENDED IN ASSEMBLY MAY 27, 2005
AMENDED IN ASSEMBLY MARCH 29, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 264

Introduced by Assembly Member Chan
(Principal coauthor: Assembly Member Levine)
(Coauthors: Assembly Members *Dymally*, Evans, Frommer,
Koretz, Laird, *Mullin*, and Pavley)
(Coauthor: ~~Senator Alquist~~ Coauthors: *Senators Alquist and*
***Ducheny*)**

February 8, 2005

An act to amend Section 1367.06 of the Health and Safety Code, relating to health care service plans.

LEGISLATIVE COUNSEL'S DIGEST

AB 264, as amended, Chan. Health care service plans: pediatric asthma.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the regulation and licensure of health care service plans by the Department of Managed Health Care and makes a *willful* violation of the act's requirements a crime. Under the act, a health care service plan contract that covers prescription drug benefits is required to provide coverage for specified equipment and supplies for the treatment of pediatric asthma.

This bill would require a health care service plan contract, as specified, to include coverage for outpatient training and education necessary to use the medications and devices prescribed for the treatment of pediatric asthma *for an enrollee who meets certain criteria.*

Because the bill would specify additional requirements for a health care service plan, the *willful* violation of which would be a crime, it 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 1367.06 of the Health and Safety Code
- 2 is amended to read:
- 3 1367.06. (a) A 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, 2005, that
- 6 covers outpatient prescription drug benefits shall include
- 7 coverage for inhaler spacers when medically necessary for the
- 8 management and treatment of pediatric asthma.
- 9 (b) If a subscriber has coverage for outpatient prescription
- 10 drugs, a health care service plan contract, except a specialized
- 11 health care service plan contract, that is issued, amended,
- 12 delivered, or renewed on or after January 1, 2005, shall include
- 13 coverage for the following equipment and supplies when
- 14 medically necessary for the management and treatment of
- 15 pediatric asthma:
- 16 (1) Nebulizers, including face masks and tubing.
- 17 (2) Peak flow meters.
- 18 (c) The quantity of the equipment and supplies required to be
- 19 covered pursuant to subdivisions (a) and (b) may be limited by
- 20 the health care service plan if the limitations do not inhibit
- 21 appropriate compliance with treatment as prescribed by the

1 enrollee’s physician and surgeon. A health care service plan shall
2 provide for an expeditious process for approving additional or
3 replacement inhaler spacers, nebulizers, and peak flow meters
4 when medically necessary for an enrollee to maintain compliance
5 with his or her treatment regimen. The process required by
6 Section 1367.24 may be used to satisfy the requirements of this
7 section for an inhaler spacer.

8 (d) (1) Education for pediatric asthma, including education to
9 enable an enrollee to properly use the devices identified in
10 subdivisions (a) and (b), shall be consistent with current
11 professional medical practice.

12 (2) A health care service plan contract described in
13 subdivision (a) that is issued, amended, delivered, or renewed on
14 or after January 1, 2007, shall include coverage for outpatient
15 self-management training and education necessary to enable an
16 enrollee to properly use the medications and devices prescribed
17 for the treatment of pediatric asthma *if the enrollee meets either*
18 *of the following conditions:*

19 (A) *His or her treating physician has determined that the*
20 *enrollee is at high risk for emergency room visits or*
21 *hospitalization for an asthmatic episode or for a high number of*
22 *days of restricted activity, nights of nocturnal asthma, or asthma*
23 *exacerbations.*

24 (B) *He or she has been treated in an emergency room one or*
25 *more times during one calendar year for an asthma attack..*

26 (3) The pediatric asthma outpatient self-management training
27 and education services identified in paragraph (2) shall be
28 provided under the supervision of an appropriately licensed or
29 registered health care professional as prescribed by a
30 participating health care professional legally authorized to
31 prescribe the service. If a plan delegates outpatient
32 self-management training and education to a contracting
33 provider, the plan shall require the contracting provider to ensure
34 that pediatric asthma outpatient self-management training and
35 education are provided under the supervision of an appropriately
36 licensed or registered health care professional. These benefits
37 shall include, but not be limited to, instruction that will enable
38 pediatric asthmatic patients and their families to gain an
39 understanding of the disease process and the daily management
40 of asthma in order to avoid frequent hospitalizations and

1 complications, *including, at a minimum, group health education*
2 *classes for the patient and his or her parent or guardian,*
3 *home-based education and training, and school-based education*
4 *and training.*

5 (e) The coverage required by this section shall be provided
6 under the same general terms and conditions, including
7 copayments and deductibles, applicable to all other benefits
8 provided by the plan.

9 (f) A health care service plan shall disclose the benefits under
10 this section in its evidence of coverage and disclosure forms.

11 (g) A health care service plan may not reduce or eliminate
12 coverage as a result of the requirements of this section.

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

17 SEC. 2. No reimbursement is required by this act pursuant to
18 Section 6 of Article XIII B of the California Constitution because
19 the only costs that may be incurred by a local agency or school
20 district will be incurred because this act creates a new crime or
21 infraction, eliminates a crime or infraction, or changes the
22 penalty for a crime or infraction, within the meaning of Section
23 17556 of the Government Code, or changes the definition of a
24 crime within the meaning of Section 6 of Article XIII B of the
25 California Constitution.