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**AB-1842 Health care coverage: Medication-assisted treatment.** (2023-2024)

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**Assembly Bill No. 1842**

**CHAPTER 633**

An act to add Section 1342.75 to the Health and Safety Code, and to add Section 10123.1935 to the Insurance Code, relating to health care coverage.

[ Approved by Governor September 27, 2024. Filed with Secretary of State September 27, 2024. ]

**LEGISLATIVE COUNSEL'S DIGEST**

AB 1842, Reyes. Health care coverage: Medication-assisted treatment.

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 authorizes health care service plans and health insurers that cover prescription drugs to utilize reasonable medical management practices, including prior authorization and step therapy, consistent with applicable law.

This bill would require a group or individual health care service plan or health insurer offering an outpatient prescription drug benefit to provide coverage without prior authorization, step therapy, or utilization review for at least one medication approved by the United States Food and Drug Administration in each of 4 designated categories, including medication for the reversal of opioid overdose, including a naloxone product or another opioid antagonist. Because a willful violation of these provisions by a health care service plan would be a crime, this 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 Local Program: yes

**THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:**

**SECTION 1.** Section 1342.75 is added to the Health and Safety Code, to read:

**1342.75.** (a) Notwithstanding any other law, a group or individual health care service plan offering an outpatient prescription drug benefit shall provide coverage for at least one medication approved by the United States Food and Drug Administration in each of the following categories without prior authorization, step therapy, or utilization review:

- (1) Medication for the reversal of opioid overdose, including a naloxone product or another opioid antagonist.

(2) Medication for the detoxification or maintenance treatment of a substance use disorder, including a daily oral buprenorphine product.

(3) A long-acting buprenorphine product.

(4) A long-acting injectable naltrexone product.

(b) This section does not prohibit a health care service plan from selecting an AB-rated generic equivalent, biosimilar, as defined in Section 262(i)(2) of Title 42 of the United States Code, or interchangeable biological product, as defined in Section 262(i)(3) of Title 42 of the United States Code, to meet the requirements of subdivision (a).

**SEC. 2.** Section 10123.1935 is added to the Insurance Code, to read:

**10123.1935.** (a) Notwithstanding any other law, a group or individual health insurer offering an outpatient prescription drug benefit shall provide coverage for at least one medication approved by the United States Food and Drug Administration in each of the following categories without prior authorization, step therapy, or utilization review:

(1) Medication for the reversal of opioid overdose, including a naloxone product or another opioid antagonist.

(2) Medication for the detoxification or maintenance treatment of a substance use disorder, including a daily oral buprenorphine product.

(3) A long-acting buprenorphine product.

(4) A long-acting injectable naltrexone product.

(b) This section does not prohibit a health insurer from selecting an AB-rated generic equivalent, biosimilar, as defined in Section 262(i)(2) of Title 42 of the United States Code, or interchangeable biological product, as defined in Section 262(i)(3) of Title 42 of the United States Code, to meet the requirements of subdivision (a).

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