

**§ 1385.002. Authority of department**

(a) Except as specified in Section 1385.007, the requirements of this article shall become operative on January 1, 2020.

(b) Notwithstanding subdivision (a), the department has the authority to enforce the provisions of this article, including the authority to adopt, amend, or repeal any rules and regulations, not inconsistent with the laws of this state, as may be necessary for the protection of the public and to implement this article, including, but not limited to, the director's enforcement authority under this chapter.

(c) Notwithstanding subdivision (a) and Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this article by means of all-plan letters or similar instructions to plans and pharmacy benefit managers, without taking regulatory action, until such time as regulations are adopted.

(d) The department may contract with a consultant or consultants with expertise in this subject area to assist the department in developing guidance or instructions described in subdivision (c), or the report required pursuant to Section 1385.007. The department's contract with a consultant shall include conflict-of-interest provisions to prohibit a person from participating in any report in which the person knows or has reason to know he or she has a material financial interest, including, but not limited to, a person who has a consulting or other agreement with a person or organization that would be affected by the results of the report.

(e) Contracts entered into pursuant to the authority in this article shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of any division of the Department of General Services.

**HISTORY:**

Added Stats 2018 ch 905 § 4 (AB 315), effective

January 1, 2019, operative January 1, 2020.