2021 Annual Conference

Industry Collaboration Effort

ANNUAL LEGISLATIVE REPORT

Nick Louizos
Trina Gonzalez
Bill Barcellona

2021 Legislative Themes

Homelessness & affordable housing	Budget included significant investment for affordable housing and homelessness
COVID	From coverage for diagnostic and screening to reporting by providers
Energy	Showing proactive policy engagement on environmental initiatives in contrast to federal efforts.
Health equity/ Disparities	Focus on reducing health disparities, highlighted by the disparate impact of COVID on vulnerable communities

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PROGRESS OF THE 2021 LEGISLATIVE SESSION

2776	1104	1038
All Bills Introduced	Passed	Signed

108	83	67
Tracked Health Bills	Passed	Signed

AB 1130 (WOOD) OHCA KEY BILL – A WORK IN PROGRESS

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Creates the Office of Health Care Affordability	Monitors costs trends and drivers in the marketplace using the HPD	Sets cost trend targets for the state, regions, sectors
Dependent upon the successful implementation of the Health Care Payments Database	Negotiations stalled the bill in late August. Will be moved again early next year.	Likely heard in Senate Health Committee in January, 2022


BUDGET
BILLS

AB 133 (BUDGET TRAILER BILL) 1

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Creates the DMHC Health Equity & Quality Committee

- Will run from March to September 2022
- Will generate recommendations to the Legislature for creation of a state-run performance and equity measurement system at DMHC that will require data collection by health plans from their provider networks
- The new system will include negative consequences for poor performance
- Go live date is January 1, 2023 for new performance monitoring system
- APG views this effort as a "codification" of the long-standing IHA P4P and AMP models

AB 133 (BUDGET TRAILER BILL) 2

Creates the Office of Medicare Innovation & Implementation

- It will coordinate with CMS and state agencies
- Plan for integrated, coordinated service delivery
- Innovate models of care and coordinated access to LTSS for Medicare-only beneficiaries – pull in commercial MA plans to leverage models
- Plan for DSNP transition to all 58 Counties by 2026
- Identify best practices and create partnerships
- Integrated Care at Home Demonstration with MA plans
- Convene stakeholder meetings with California's MA Plans

AB 133 (BUDGET TRAILER BILL) 3

Creates Data Exchange Framework

Will be designed to enable and require real-time access to, or exchange of, health information among health care providers and payers.

Establishes a Data Exchange Stakeholder Advisory Group to advise the California Health and Human Services Agency

Includes requirements for providers, payers and others to comply with a Data Sharing Agreement


HEALTH CARE
COVERAGE

AB 347 (HEALTH CARE COVERAGE: STEP THERAPY)PART 1

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Requires health plans or insurers

- If a prescribing provider submits necessary justification and supporting clinical documentation supporting the provider's determination that the required prescription drug is inconsistent with good professional practice for provision of medically necessary covered services to the enrollee…

- The required prescription drug is contraindicated or is likely, or expected, to cause an adverse reaction or physical or mental harm to the enrollee in comparison to the requested prescription drug, based on the known clinical characteristics of the enrollee and the known characteristics and history of the enrollee's prescription drug regimen.

- The required prescription drug is expected to be ineffective based on the known clinical characteristics of the enrollee and the known characteristics and history of the enrollee's prescription drug regimen.

- The enrollee has tried the required prescription drug while covered by their current or previous health coverage or Medicaid, and that prescription drug was discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse reaction.

AB 347 (HEALTH CARE COVERAGE: STEP THERAPY) PART 2

- The required prescription drug is **not clinically appropriate** for the enrollee because the required drug is expected to:
  - Worsen a comorbid condition.
  - Decrease the capacity to maintain a reasonable functional ability in performing daily activities.
  - Pose a significant barrier to adherence to, or compliance with, the enrollee's drug regimen or plan of care.

- The enrollee is **stable** on a prescription drug selected by the enrollee's prescribing provider for the medical condition under consideration while covered by their current or previous health coverage.

AB 347 (HEALTH CARE COVERAGE: STEP THERAPY) PART 3

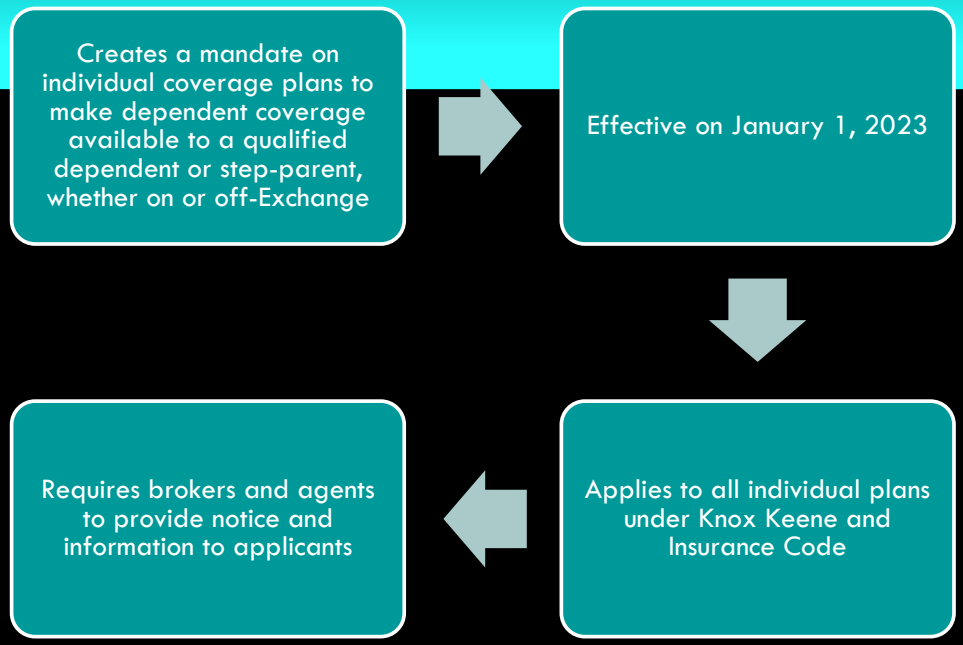
Specifies that AB 347 does NOT prohibit:

- A health care plan or insurer from requiring an enrollee to try an AB-rated generic equivalent or interchangeable biological product before providing coverage for the equivalent branded prescription drug.

- A health care provider from prescribing a prescription drug that is clinically appropriate.

Requires starting in 2022, a health care plan or insurer contract with a utilization review organization, medical group, or other contracted entity that performs utilization review or utilization management functions on a health care service plan's behalf, to include terms that require the contracted entity to comply with the provisions of AB 347.

AB 570 (DEPENDENT PARENT COVERAGE)



SB 221 (TIMELY ACCESS TO CARE)

Codifies the provisions of the existing Knox Keene and Dept. of Insurance Timely Access to Care regulations – Mental Health & Substance Abuse Care

"Closes the loophole" in existing regulations to require that all follow-up mental health and substance abuse disorder appointments must be provided within timeframes that are clinically appropriate

Effective on July 1, 2022, non-urgent follow-up appointments are required within 10 business days

SB 242 (PROVIDER REIMBURSEMENT)

Plans must reimburse Providers for medically necessary business expenses arising out of a respiratory disease public health emergency

Includes PPE, supplies, materials and staff time over and above normal fixed expense

Invokes the Provider Bill of Rights clause for these expenses

Applies to physicians, dentists, podiatrists in a contracted plan network

Applies to respiratory disease-based public heath emergencies declared on or after January 1, 2022

Does not apply retroactively to existing COVID expenses prior to January 1st

AB 457 (TELEHEALTH PROVIDER ACT)

Establishes the "Protection of Patient Choice in Telehealth Provider Act" and the TeleHealth Patient Bill of Rights

Applies to all regulated health plans and health insurers overseen by DMHC and CDI

Requires health plans to notify patients of alternative network provider options other than their owned and/or affiliated 3rd-party telehealth companies

Requires that the health plan telehealth provider furnish the medical record to the enrollee's treating primary care provider

Exempts Medi-Cal for now, but requires DHCS to consider applying these standards to Medi-Cal

SB 326 (COVERAGE: FEDERAL HEALTH CARE REFORMS)

Deletes all "conditional operation" provisions of California statutes passed to implement the Affordable Care Act and make the federal "insurance market reforms" of the ACA permanent under California law

SB 368 (DEDUCTIBLES & OOP EXPENSES)

Requires a health plan or health insurer to provide an enrollee or insured with their accrual balance toward their annual deductible and annual out-of-pocket maximum during any month in which benefits were used

Permits an enrollee or insured to request their most up-to-date accrual balance toward their annual deductible and their annual out-of-pocket maximum from their health plan or insurer at any time; and requires accrual updates to be mailed unless the enrollee or insured opts out

Requires a plan/insurer that delegates claims payment functions to a medical group or independent practice association to require compliance with the notice standards by the delegated entity

SB 380 (END OF LIFE)

Amends the existing law on end of life care in the Health & Safety Code to allow and individual to qualify for aid-in-dying medication by making 2 oral requests a minimum of 48 hours apart.

Eliminates the prior requirement of patient attestation

Extends the End of Life Act to January 1, 2031

SB 428 (ADVERSE CHILDHOOD EXPERIENCE COVERAGE)

Requires coverage for adverse childhood experiences screenings

Applies to both Knox Keene & Dept. of Insurance HMO and PPO Plans

Becomes effective on January 1, 2022

Authorizes both Departments to issue non-APA guidance for implementation of this new coverage mandate

SB 510 – COVID TESTING & PROVIDER PAYMENT

Cover	Cover testing and immunization costs for the COVID-19 pandemic and future public health emergencies, without prior authorization or patient cost share
Set	Set reasonable reimbursement rates for non-contracted providers for these services during the pendency of a public health emergency at market rates
Apply	Apply the provider bill of rights process to delegated providers for COVID-19 and future public health emergencies
Apply	Apply this policy retroactively to March 4, 2020

SB 535 (BIOMARKER TESTING)

Eliminates any requirement for prior authorization for biomarker testing for enrollees with advanced metastatic stage 3 or 4 cancers.

Applies to all health plan and health insurance policies regulated by the DMHC and CDI, including Medi-Cal managed care plans

Becomes effective on or after July 1, 2022

HOSPITALS AND FACILITIES

AB 1204 (HOSPITAL EQUITY REPORTING)

Establishes the “Medical Equity Disclosure Act” which requires hospitals to prepare and annually submit an equity report to the Department of Health Care Access and Information (HCAI)

Expands the definition of "vulnerable populations" related to community benefit plans and reports

Requires a hospital's equity report to include a health equity plan to achieve disparity reductions, with measurable objectives and specific timeframes

Effective on and after September 30, 2025, but not until 12 months after the release of the federal Centers for Medicare and Medicaid Services' (CMS) health equity quality measures for their proposed

AB 1356 (REPRODUCTIVE HEALTH CARE SERVICES)

Creates new crimes under the California Freedom of Access to Clinic Act (Act) directed at videotaping, photographing, or recording patients or providers within 100 feet of the facility ("buffer" zone) or disclosing or distributing those images; increases misdemeanor penalties for violations of the Act; and updates and expands online privacy laws and peace officer trainings relative to anti-reproduction-rights offenses

AB 532 (FAIR BILLING POLICIES)

Requires the following:

- Written patient notice to include the internet address of a specified health consumer assistance entity and information regarding Covered California and Medi-Cal presumptive eligibility.

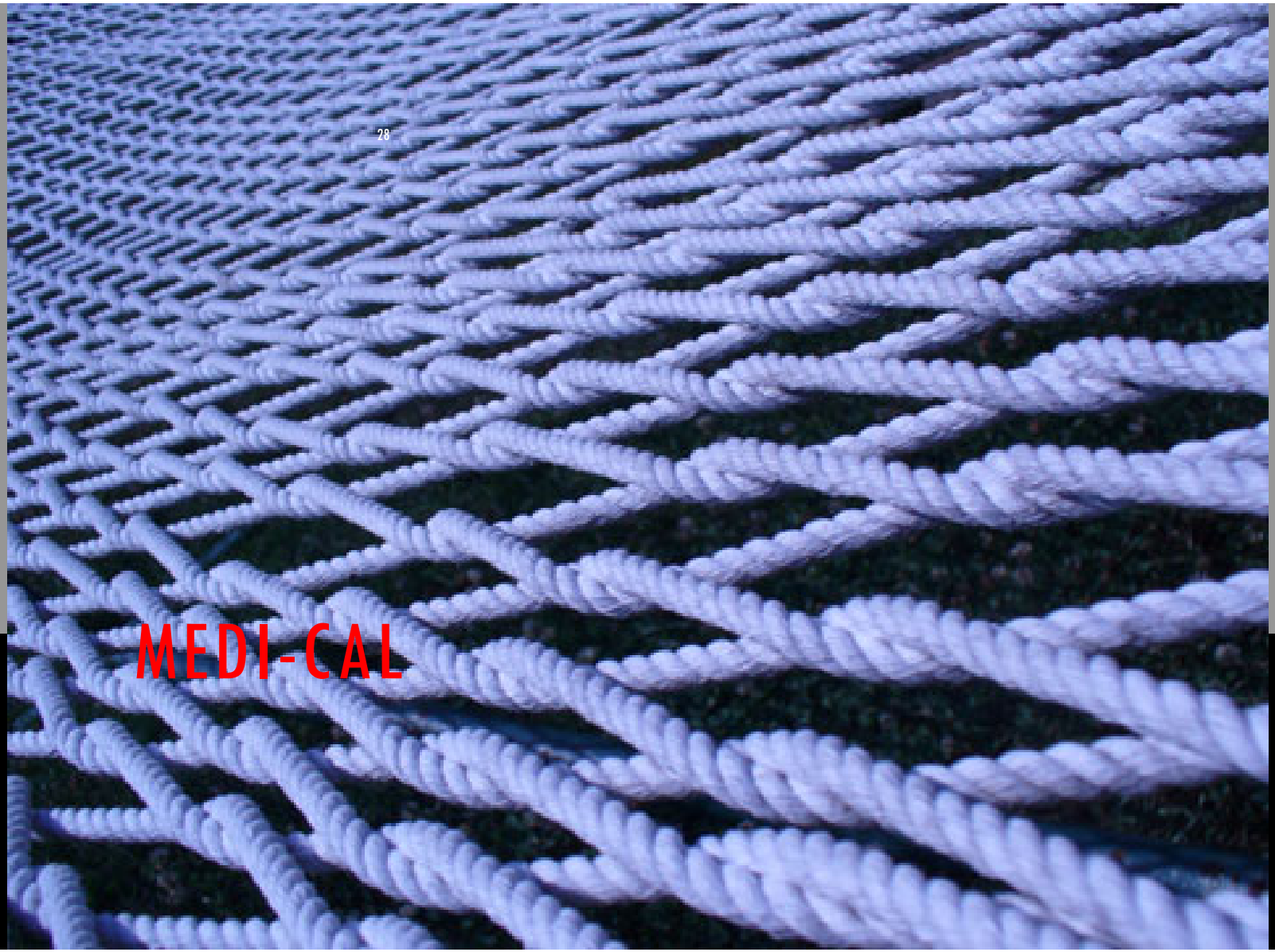
- Written patient notice to include the internet address for the hospital's list of shoppable services, pursuant to a specified federal regulation.

- Hospital to automatically provide the person with an estimate and an application form for financial assistance or charity care, without need for a specific request.

AB 1020 (HEALTH CARE DEBT AND FAIR BILLING)

- Require that uninsured patients or patients with high medical costs who are at or below 400% of the federal poverty level be eligible for charity care or discount payments from a hospital

-Prohibits hospitals from selling patient debt to a debt buyer, unless specified conditions are met, including that the hospital has found the patient ineligible for financial assistance or the patient has not responded to attempts to bill or offer financial assistance for 180 days


MEDI-CAL

SB 48 (MEDI-CAL ANNUAL COGNITIVE HEATH ASSESSMENT)

Expands the schedule of benefits to include an annual cognitive health assessment for Medi-Cal beneficiaries who are 65 years of age or older if they are otherwise ineligible for a similar assessment as part of an annual wellness visit under the Medicare Program.

SB 226 (MEDI-CAL, COUNTY OF SACRAMENTO

Modifies the current administration of the Geographic Managed Care Medi-Cal model

Authorizes the Board of Supervisors of the County of Sacramento to establish a health authority to perform specified duties, including negotiating and entering into contracts with health plans

Requires the health authority to meet with any health plans intending to contract with the department, and, subsequent to meeting with all interested health plans, to designate to the department at least 2 licensed health plans for the department's approval based on specified criteria

PHARMACY

SB 306 (TESTING FOR STDS)

Requires health care providers who prescribe, dispense, or otherwise furnish EPT, and are unable to obtain the name of a patient's sexual partner, to include the words "expedited partner therapy" or the letters "EPT" on the prescription

Permits pharmacists to dispense a drug, without the name of an individual for whom the drug is intended, when prescribed for the sexual partner of someone who has been diagnosed with a sexually transmitted disease (STD)

Prohibits health care providers who prescribe, dispense, or furnish such a drug from being subject to, civil, criminal, or administrative penalties

Requires a syphilis blood test, during the third trimester of pregnancy and at delivery, and requires public and commercial health coverage of home STD test kits; and adds rapid STD tests to existing law which permits HIV counselors to perform rapid HIV and hepatitis C tests

SB 310 (UNUSED CANCER MED RECYCLING)

Establishes the Cancer Medication Recycling Act (Cancer Medication Program) until January 1, 2027 to allow for the donation and redistribution of cancer drugs between patients of a participating physician

Establishes a voluntary drug repository and distribution program (Program) to distribute surplus medications to persons in need of financial assistance to ensure access to necessary pharmaceutical therapies

Authorizes a county to establish a Program and requires a county to establish written procedures for Program administration to establish eligibility for medically indigent patients to participate, develop a formulary appropriate for the Program, ensure proper safety and management of medications

SB 409 (PHARMACY PRACTICE: TESTING) PART 1.

Codifies an existing Executive Order waiving certain CLIA testing restrictions to permit pharmacists to order SARS-CoV-2 tests and collect specimens necessary for the tests.

In addition, expands the authority of the existing Executive Order to include authorizing a pharmacist to perform any aspect of any FDA-approved or -authorized test that is classified as waived pursuant to CLIA and either is:

- used to detect or screen for **specified illnesses, conditions, or diseases** or
- approved by the Board of Pharmacy in conjunction with the Medical Board of California and Laboratory Field

SB 409 (PHARMACY PRACTICE: TESTING) PART 2.

"Specified illnesses, conditions, or diseases" include i) SARS-CoV-2 or other respiratory illness, condition or disease. (ii) Mononucleosis. (iii) Sexually transmitted infection. (iv) Strep throat. (v) Anemia. (vi) Cardiovasular health. (vii) Conjunctivitis. (viii) Urinary tract infection. (ix) Liver and kidney function or infection. (x) Thyroid function. (xi) Substance use disorder. (xii) Diabetes.

Effective date 1/1/22.

PUBLIC HEALTH

AB 439 (CERTIFICATES OF DEATH)

Adds "nonbinary" as a gender identity option on death certificates

Amends the prior "Respect After Death Act" of AB 1577 (2014) required the person completing a death certificate to record the decedent's sex to reflect the decedent's gender identity as reported by the person or source best qualified to supply this information, unless presented with a legal document that documents the decedent's gender transition. This bill simply adds nonbinary as a gender identity option on death certificates.

SB 336 (PUBLIC HEALTH: COVID-19)

Requires the California Department of Public Health or a local health officer, when it issues specified guidance or orders related to preventing the spread of COVID-19 or to protect public health against a threat of COVID-19, to publish the measures on its website and to create an opportunity for local entities to sign up for an email distribution list relative to changes such measures

This bill will be automatically repealed the next January 1st after the COVID-19 public health emergency is lifted


LICENSURE
& SCOPE

AB 359 (PHYSICIAN LICENSURE EXAMINATION)

Effective as an urgency measure upon October 7, 2021

Authorizes applicants who took more than four tries to pass Step 3 of the United States Medical Licensing Examination (USMLE) but have a license in another state to qualify for a California physician's and surgeon's license and loosens restrictions on continuing medical education to allow for courses that include practice and office management, coding, reimbursement, and education methodology.

Intended to

AB 691 (OPTOMETRISTS: COVID VACCINATIONS)

Allows Optometrists to apply for authorization to provide COVID vaccinations

Operative on October 8, 2021

AB 1064 (PHARMACISTS: INDEPENDENT INITIATION AND ADMINISTRATION

Authorizes a pharmacist to independently initiate and administer any vaccine that has been approved or authorized by the FDA and received an ACIP individual vaccine recommendation published by the CDC for persons 3 years of age and older

Effective January 1, 2021

AB 1184 (CONFIDENTIALITY OF MEDICAL INFO)

Requires, effective July 1, 2022, health plans and insurers regulated by the DMHC and CDI to accommodate confidential communications regardless of whether it involves sensitive services or a situation in which disclosure would endanger the individual.

Augments existing law that requires health plans or insurers to notify subscribers, enrollees, or insureds that they may submit a confidential communication request and how they may submit a request, and requires information about requests to be provided upon initial enrollment and on the plan/insurer's website. Example, spouse of an insured under an employer-sponsored health plan or policy

Expands the definition of sensitive services to identify all health care services related to mental health, reproductive health, sexually transmitted infections, substance use disorder, transgender health, including gender affirming care, and intimate partner violence

Applies to any "contractor" of a health plan or insurer – like a medical group, IPA, etc.

2022 LEGISLATIVE FOCUS

- It's an election year…
- Continued focus on reducing health care costs
- Health care affordability legislation
- CAL-AIM implementation
- Health information exchange - Data Exchange Stakeholder Advisory Group

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THANK YOU

Bill Barcellona:
wbarcellona@apg.org

Nick Louizos:
nlouizos@calhealthplans.org

Trina Gonzalez:
tgonzalez@calhospital.org