

ASSEMBLY BILL

No. 2668

Introduced by Assembly Member Berman

February 14, 2024

An act to add Section 1367.651 to the Health and Safety Code, to add Section 10123.811 to the Insurance Code, and to add Section 14132.65 to the Welfare and Institutions Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 2668, as introduced, Berman. Coverage for cranial prostheses.

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 plans and health insurers to provide coverage for prosthetic devices in connection with specified health conditions and procedures.

This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2025, to cover cranial prostheses, as defined, for individuals experiencing permanent or temporary medical hair loss. The bill would require a licensed provider to prescribe the cranial prosthesis for an individual's course of treatment for a diagnosed health condition, chronic illness, or injury, as specified. The bill would limit coverage to once every 12 months and \$750 for each instance of coverage. The bill would not apply these provisions to a specialized health care service plan or specialized health insurance policy. Because a violation of these

requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program.

Existing law also establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions.

Commencing January 1, 2025, this bill would require coverage for cranial prostheses for individuals experiencing permanent or temporary medical hair loss, or treatment for those conditions as a Medi-Cal benefit, subject to the same requirements with respect to provider prescription, coverage frequency, and amount. The bill would not apply these provisions to a specialized health care service plan.

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 1367.651 is added to the Health and
- 2 Safety Code, to read:
- 3 1367.651. (a) A health care service plan contract issued,
- 4 amended, or renewed on and after January 1, 2025, shall cover
- 5 cranial prostheses for individuals experiencing permanent or
- 6 temporary medical hair loss, in accordance with subdivision (b).
- 7 (b) Coverage under this section shall meet all of the following
- 8 requirements:
- 9 (1) A licensed provider prescribes the cranial prosthesis for an
- 10 enrollee’s or subscriber’s course of treatment for the diagnosed
- 11 health condition, chronic illness, or injury, including, but not
- 12 limited to, alopecia areata, alopecia medicamentosa, scarring
- 13 alopecia, and lupus. For purposes of this section, “cranial
- 14 prosthesis” means a wig or hairpiece.
- 15 (2) The contract provides coverage for a cranial prosthesis to
- 16 an individual enrollee or subscriber no more frequently than once
- 17 every 12 months.

1 (3) The coverage is limited to seven hundred fifty dollars (\$750)
2 for each instance of coverage, and shall be subject to any
3 cost-sharing requirements that are otherwise applicable under the
4 health care service plan contract.

5 (c) This section shall not apply to specialized health care service
6 plans.

7 SEC. 2. Section 10123.811 is added to the Insurance Code, to
8 read:

9 10123.811. (a) A health insurance policy issued, amended, or
10 renewed on and after January 1, 2025, shall provide coverage for
11 cranial prostheses for individuals experiencing permanent or
12 temporary medical hair loss, in accordance with subdivision (b).

13 (b) Coverage under this section shall meet all of the following
14 requirements:

15 (1) A licensed provider prescribes the cranial prosthesis for an
16 insured's or policyholder's course of treatment for the diagnosed
17 health condition, chronic illness, or injury including, but not limited
18 to, alopecia areata, alopecia medicamentosa, scarring alopecia,
19 and lupus. For purposes of this section, "cranial prosthesis" means
20 a wig or hairpiece.

21 (2) The contract provides coverage for a cranial prosthesis to
22 an individual insured or policyholder no more frequently than once
23 every 12 months.

24 (3) The coverage is limited to seven hundred fifty dollars (\$750)
25 for each instance of coverage, and shall be subject to any
26 cost-sharing requirements that are otherwise applicable under the
27 health insurance policy.

28 (c) This section shall not apply to specialized health insurance
29 policies.

30 SEC. 3. Section 14132.65 is added to the Welfare and
31 Institutions Code, to read:

32 14132.65. (a) Commencing January 1, 2025, cranial prostheses
33 for individuals experiencing permanent or temporary medical hair
34 loss are a covered benefit, in accordance with subdivision (b).

35 (b) Coverage under this section shall meet all of the following
36 requirements:

37 (1) A licensed provider prescribes the cranial prosthesis for a
38 beneficiary's course of treatment for a diagnosed health condition,
39 chronic illness, or injury including, but not limited to, alopecia
40 areata, alopecia medicamentosa, scarring alopecia, and lupus. For

1 purposes of this section, “cranial prosthesis” means a wig or
2 hairpiece.

3 (2) Coverage for a cranial prosthesis is provided to an individual
4 beneficiary no more frequently than once every 12 months.

5 (3) Coverage is limited to seven hundred fifty dollars (\$750)
6 for each instance of coverage.

7 (c) This section shall not apply to specialized health care service
8 plans.

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