



**RICARDO LARA**  
CALIFORNIA INSURANCE COMMISSIONER

## **NOTICE**

**TO: All Disability Insurers Providing Health Insurance Coverage in California and Other Interested Parties**

**FROM: Insurance Commissioner Ricardo Lara**

**DATE: April 16, 2025**

**RE: Nondiscrimination and Access to Care for All Californians**

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As Insurance Commissioner, I am obligated to enforce all laws regulating the business of insurance in California.<sup>1</sup> In addition, the California State Constitution obligates my Department to enforce state law, with few exceptions.<sup>2</sup> I want to reassure all Californians that my Department will continue to comply with our constitutional and legal obligation to enforce state law and protect their right to quality, culturally competent health care, especially in light of the federal Administration's continued attacks on the rights and access to health care for our historically disadvantaged and vulnerable populations.

Therefore, I am issuing this Notice to remind disability insurers providing health insurance coverage in California (health insurers) that my Department and I will continue to vigorously enforce all California laws governing the business of insurance. This includes ensuring compliance with *all* state consumer protections, including antidiscrimination and coverage requirements that apply to all Californians, including women, students, youth, immigrants, members of historically disadvantaged communities, as well as members of the Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, and Other Gender/Sex Identified People (LGBTQIA+) community.

Given that many of the federal actions are directed at members of the aforementioned communities, I am highlighting some key actions that my Department and I have taken to protect Californians. All these requirements remain in effect today for all health insurers to continue to abide by.

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<sup>1</sup> Cal. Ins. Code § 12921(a).

<sup>2</sup> Cal. Const., art. III, § 3.5.

- [CDI Guidance SB 923:1](#) – Issued September 1, 2024

Senate Bill (SB) 923 (Wiener, Chapter 822, Statutes of 2022) enacted the “Transgender, Gender Diverse or Intersex (TGI) Inclusive Care Act” (the Act). The Act requires trans-inclusive cultural competency training for insurer staff that are in direct contact with insureds. In order to provide trans-inclusive health care for individuals that identify as Transgender, Gender Diverse or Intersex (TGI), my staff’s guidance details key components that health insurers must include in the training, as well as other requirements set forth in the Act. This guidance also reminds insurers of the requirements related to provider directories, as well as other legal obligations related to the provision of trans-inclusive care.

- [Notice Regarding Statutes Impacting Health Insurers in 2024](#) – Issued February 26, 2024

My Bulletin reminds health insurers of requirements applicable to them as a result of legislation enacted in 2024. Some key consumer protections include:

- SB 523 (Leyva, Chapter 60, Statutes of 2022): Known as the “Contraceptive Equality Act”, this law mandates that all health insurers and health plans must provide point-of-sale-coverage for all over-the-contraceptives without a prescription, patient cost sharing, or medical management restrictions. It also requires that any clinical services associated with the provision or use of contraceptives must be covered. Additionally, the coverage mandate applies to all policyholders and is not limited just to women.
  - AB 904 (Calderon, Chapter 349, Statutes of 2023): This law requires health insurers to develop a maternal and infant health equality program to address racial health disparities in maternal and infant health.
  - AB 1823 (Bryan, Chapter 688, Statutes of 2022): This law, which I proudly sponsored, ensures that students enrolled in health insurance provided at institutions of higher education are subject to most of the same rules that apply to the individual health insurance market, including all essential health benefits, basic health care services, preventive care services, antidiscrimination requirements, and other consumer protection rules.
- [Notice Regarding Health Insurer HIV Preexposure Prophylaxis \(PrEP\) and Integral Services Reimbursement Guidelines](#) – Issued February 7, 2024

My Notice provides that if the U.S. Preventive Services Task Force (USPSTF) recommendations are invalidated under the ongoing *Braidwood*<sup>3</sup> case, California’s consumers must still have access to medically necessary and essential preventive health services, such as PrEP, because these services are

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<sup>3</sup> *Braidwood Mgmt. v. Becerra*, 104 F.4th 930 (5th Cir. 2024).

incorporated into state law and, as a result, are still mandated. As Commissioner, I will aggressively enforce these laws, which can be found as follows:

- California Insurance Code section 10112.2: Requires non-grandfathered group and individual health insurers to cover certain preventive health services without patient cost sharing.
- California Insurance Code sections 10122.2 and 10123.1933: Requires health insurers to cover long acting injectable cabotegravir for PrEP drug administration, and other integral services to initiate therapy.
- [\*\*AB 133 Guidance re: The Children and Youth Behavioral Health Initiative\*\*](#) – Issued December 22, 2023

My staff's guidance outlines when insurers must cover outpatient mental health and substance use disorder treatment services provided to insured students age 25 or younger at a public schoolsite. The guidance also reminds insurers of their obligations to maintain privacy and confidentiality for "sensitive services".

- [\*\*Bulletin Regarding Coverage for Abortion and Abortion-Related Health Care Services\*\*](#) – Issued July 21, 2022

My Bulletin, issued in the wake of the U.S. Supreme Court decision in *Dobbs v. Jackson Women's Health Organization*,<sup>4</sup> delineates California insurance laws protecting reproductive freedom. California Insurance Code sections 10112.27 (individual and small group market) and 10112.281 (large group market) require all non-grandfathered individual and small group health insurance policies and all large group health insurance policies issued, amended, or renewed in California to cover medically necessary basic health care services.<sup>5</sup> California courts have affirmed that abortion and abortion-related services are basic health care services and, as such, must be included as covered benefits in a health insurance policy.<sup>6</sup> In addition, beginning on January 1, 2023, insurers are barred from imposing any patient cost-sharing on any abortion or abortion-related services, including both medication and surgical abortion.<sup>7</sup>

- [\*\*Bulletin Regarding Coverage Limits on Screening, Diagnosis and Treatment of Sexually Transmitted Infections\*\*](#) – Issued June 1, 2022

My Bulletin describes health insurer obligations to cover screening, diagnosis, and treatment of sexually transmitted infections so that consumers have access to clinically appropriate medical care.

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<sup>4</sup> *Dobbs v. Jackson Women's Health Organization*, 597 U.S. 215 (2022).

<sup>5</sup> The California essential health benefits package found at Cal. Ins. Code § 10112.27 also applies to student blanket health insurance policies pursuant to Cal. Ins. Code § 10965.03, as well as 45 CFR § 147.145.

<sup>6</sup> *Missionary Guadalupe of the Holy Spirit v. Rouillard* (2019) 38 Cal. App. 5th 421.

<sup>7</sup> Cal. Ins. Code § 10123.1961.

- [\*\*Bulletin Regarding Preventive Services Coverage for HIV Preexposure Prophylaxis \(PrEP\) with Provider-Administered Antiretroviral Drug Therapy\*\*](#)  
– Issued December 29, 2021

My Bulletin describes how Federal guidance<sup>8</sup> interacts with existing California law on outpatient prescription drugs. Health insurers must cover medically necessary outpatient prescription antiretroviral drugs for preventing HIV without imposing prior authorization or step therapy requirements, along with the cost of administration and any other integral services that are necessary to initiate therapy and provide ongoing treatment.<sup>9</sup> Insurers are also reminded that it is unlawful to employ benefit designs, including for prescription drugs, that have the effect of discouraging the enrollment of individuals with significant health needs or discriminate based on health condition or protected class.<sup>10</sup>

- [\*\*Gender Dysphoria Male Chest Surgery: CDI General Counsel opinion letter\*\*](#)  
– Issued December 30, 2020

This Opinion Letter from my Department's General Counsel clarifies that, under existing California law, health insurance companies may not deny coverage for male chest reconstruction surgery for female-to-male patients undergoing gender-affirming care for gender dysphoria based solely on a patient's age. In addition, imposing strict age limits on coverage of male chest reconstruction surgery when it is requested to treat gender dysphoria, but not other medical conditions, such as breast cancer or trauma, constitutes discrimination in health coverage based on age, sex, gender identity, gender expression, sexual orientation, and health conditions in violation of state and federal law.

- [\*\*Notice Regarding Enactment of Senate Bill 855 – Submission of Health Insurance Policies for Compliance Review\*\*](#) – Issued December 10, 2020

My Notice relates to the enactment of SB 855 (Wiener, Chapter 151, Statutes of 2020), which substantially expanded the California Mental Health Parity Act of 1999. This law imposes expanded coverage requirements, including utilization management parameters for all health insurance policies, namely:

- Requiring health insurance policies to cover medically necessary prevention, diagnosis, and treatment of all mental health conditions, as well as substance use disorders, that are listed in the most recent version of the American Psychiatric Association's *Diagnostic and Statistical Manual of Mental Disorders* (DSM-5) or the mental and behavioral disorders chapter of the most recent edition of the World Health

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<sup>8</sup> Departments of Labor, Health and Human Services, and the Treasury, *FAQs About Affordable Care Act Implementation Part 47* (July 19, 2021).

<sup>9</sup> Cal. Ins. Code § 10123.1933. See also Cal. Ins. Code § 10123.201(i)(1).

<sup>10</sup> Cal. Ins. Code §§ 10112.282, 10123.193(e)(1), 10753.05(h)(3), 10965.5(a)(3); 45 CFR § 147.104(e).

Organization's *International Statistical Classification of Diseases and Related Health Problems* (ICD-10);

- Defining medical necessity for the purposes of the coverage mandate;
  - Prohibiting limiting coverage to short-term or acute treatment;
  - Providing that if medically necessary mental health or substance use disorder services are not available in-network within the geographic and timely access standards set by network adequacy law or regulation, an insurer must arrange for the provision of out-of-network services that, to the maximum extent possible, meet the network adequacy standards, and cover the out-of-network services subject to in-network cost sharing;
  - Providing that medical necessity determinations, including on service intensity, level of care placement, continued stay, and transfer or discharge, must be made using the most recent versions of clinical practice guidelines developed by nonprofit professional associations for the relevant clinical specialty; and,
  - Requiring an insurer to base medical necessity determinations and utilization review criteria on current generally accepted standards of mental health and substance use disorder care.
- [\*\*Notice Regarding Compliance with Health Insurance Antidiscrimination Protections in California Law\*\*](#) – Issued June 15, 2020
- My Notice reminds insurers that health insurance regulated by the California Department of Insurance remains subject to California's antidiscrimination law, including state statutes which prohibit discrimination on the basis of sex, gender, and other protected classes.
- [\*\*Notice Regarding Preventive Health Services Coverage for HIV Preexposure Prophylaxis \(PrEP\)\*\*](#) – Issued June 10, 2020
- My Notice reminds health insurers that all non-grandfathered health insurance policies must cover HIV PrEP consistent with the USPSTF recommendation and federal regulations<sup>11</sup> and guidance on coverage of preventive health services under Public Health Service Act section 2713.

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<sup>11</sup> 45 CFR § 147.130.