



CALIFORNIA  
HIV / AIDS POLICY  
RESEARCH CENTERS

## Fact Sheet: New California Guidance for PrEP Coverage

### Key Points

- Most private health plans in California are required to cover both PrEP medication and related clinical services such as provider visits and labs without cost sharing.
- Most private health plans in California are prohibited from requiring individuals to receive special approval – known as prior authorization or step therapy – to access PrEP and PEP.
- If a health plan is not in compliance, individuals enrolled in state-regulated plans are strongly encouraged to [submit a complaint](#) to the California Department of Managed Health Care.

### Background

In June 2019, the U.S. Preventive Services Task Force (USPSTF) issued a [grade A recommendation](#) for pre-exposure prophylaxis (PrEP). Because of [patient protections](#) under the Affordable Care Act (ACA), most private health plans are now required to cover both PrEP medication and related clinical services such as provider visits and labs without cost sharing – which means that these services must be covered before any deductible and without coinsurance or a copayment.

**What are the different types of PrEP?** There are two medications approved for PrEP: Truvada® and Descovy®. A generic version of Truvada® is also available.

In October 2019, Governor Newsom signed into law [Senate Bill 159](#), which prohibits most private health plans from requiring prior authorization or step therapy for individuals to access PrEP and post-exposure prophylaxis (PEP).

**Prior authorization** requires an individual to receive special approval from their health plan before a medication can be dispensed by a pharmacy.

**Step therapy** requires an individual to use a less costly medication and fail or have adverse side effects before a more costly medication can be approved by their health plan.

### State and Federal Guidance

State and federal regulators recently issued guidance to support implementation of these changes. Patient protections vary slightly depending on the type of health plan. Below is a brief summary:

## Majority of Private Health Plans

- ⇒ Roughly 2/3 of private health plans in California are regulated by the California Department of Insurance (CDI) or Department of Managed Health Care (DMHC).
- ⇒ These plans are [required](#) to cover both PrEP medication and related clinical services without cost sharing.
- ⇒ They are also [required](#) to cover Descovy® without prior authorization or step therapy, but can require prior authorization or step therapy on brand name Truvada® as long as generic Truvada® is covered without these restrictions.

## Self-insured Employer Health Plans

- ⇒ Roughly 1/4 of private health plans in California – known as self-insured employer health plans – are regulated by the federal Department of Labor.
- ⇒ These plans are [required](#) to cover both PrEP medication and related clinical services without cost sharing.
- ⇒ They are allowed to require prior authorization or step therapy for any PrEP medication, but the [process must be expedient](#) and allow individuals to start PrEP on the same day as their visit or negative HIV test.
- ⇒ If the prior authorization or step therapy request is approved, PrEP medication must still be covered without cost sharing.

**Is my employer health plan self-insured?** Your rights regarding your health plan depend on whether the plan is fully insured or [self-insured](#). To find out, contact your employee benefits administrator in your employer's human resources department.

## “Grandfathered” Health Plans

- ⇒ Less than 1 in 10 private health plans in California are known as “grandfathered” health plans.
- ⇒ These plans are not subject to some patient protections under the ACA, thus not required to cover PrEP medication or related clinical services without cost sharing.
- ⇒ They are also allowed to require prior authorization or step therapy for individuals to access PrEP .

**Is my health plan “grandfathered”?** If you've been in the same health plan since March 23, 2010 or prior, and there have been no major benefit or contribution changes, your plan is probably “grandfathered”.

## Medi-Cal

- ⇒ California's Medicaid program – known as [Medi-Cal](#) – covers PrEP medication and related clinical services without cost sharing for individuals earning less than 138% of the federal poverty level (approximately \$17,775 for a single individual).
- ⇒ Medi-Cal does not require prior authorization or step therapy for individuals to access PrEP and PEP.

## Medicare

- ⇒ [Medicare](#) is a public insurance program for older adults and individuals living with disabilities.
- ⇒ While the USPSTF recommendation does not apply to Medicare, most Medicare plans cover PrEP and related clinical services, but with applicable cost sharing.

## How to Submit a Complaint

If a health plan is not in compliance with the USPSTF recommendation or Senate Bill 159, individuals enrolled in state-regulated plans are strongly encouraged to [submit a complaint](#) to DMHC. Individuals have the option to submit a complaint form either online, by mail, or by fax. DMHC strongly encourages individuals to file a complaint form electronically through the [online option](#) to process the request as quickly as possible.

### What if my health plan is not regulated by DMHC?

DMHC regulates the vast majority of health plans in California. If you contact DMHC and they find that your health plan is under the jurisdiction of CDI, they will forward your complaint to CDI.

### Do I need to file a complaint with my health plan first?

No. In the case of PrEP and PEP, this requirement has been waived and you can submit a complaint directly to DMHC.

### What if I need assistance with filing a complaint?

The [Health Consumer Alliance](#) can provide you with assistance filing a complaint. If you need one-on-one assistance, please contact their Consumer Assistance Program at 1-888-804-3536.

### If I am a provider, can I file a complaint on behalf of a patient?

Yes. However, DMHC must have on file a completed and signed [Authorized Assistant Form](#). You have the option to send the form either as an attachment with your online complaint form or with your supporting documents by mail or fax.

### How long will it take for my complaint to be resolved?

DMHC will review your complaint and send you an acknowledgement of receipt letter within 7 days. If your problem is urgent, the complaint is usually resolved within 7 days. If your problem is not urgent, the complaint is usually resolved within 30 days.

### What if I am enrolled in a self-insured employer health plan?

If you have a complaint against a self-insured employer health plan, you can contact the federal Department of Labor at 1-866-444-3272 or [submit a complaint online](#).

## Financial Assistance Programs for PrEP

If PrEP costs are not fully covered by a health plan – or if someone does not have insurance – [financial assistance for PrEP](#) is available through drug manufacturers, private foundations, and the California PrEP Assistance Program (PrEP-AP). These programs are available to all California residents regardless of immigration status.