

AMENDED IN ASSEMBLY JULY 17, 2025

**SENATE BILL**

**No. 535**

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**Introduced by Senator Richardson**

February 20, 2025

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An act to add Section 1374.6 to the Health and Safety Code, ~~and to add Section 10123.62 to the Insurance Code~~, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 535, as amended, Richardson. ~~Obesity Treatment Parity Care Access Act.~~

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's requirements a crime. ~~Existing law provides for the regulation of disability and health insurers by the Department of Insurance.~~ Existing law sets forth specified coverage requirements for ~~plan contracts and insurance policies; contracts.~~

This bill, the ~~Obesity Treatment Parity Care Access Act~~, would require an individual or group health care service plan contract or health insurance policy that provides coverage for outpatient prescription drug benefits and is issued, amended, or renewed on or after January 1, 2026, to include coverage for ~~intensive behavioral therapy for the treatment of obesity, bariatric surgery, bariatric surgery~~ and at least one antiobesity medication approved by the United States Food and Drug Administration. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.

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. This act shall be known, and may be cited, as the
- 2 Obesity ~~Treatment Parity~~ Care Access Act.
- 3 SEC. 2. The Legislature finds and declares all of the following:
- 4 (a) Obesity is a serious chronic disease that is recognized as
- 5 such by major medical organizations, including the American
- 6 Medical Association since 2013, the American Association of
- 7 Clinical Endocrinology, the American College of Cardiology, the
- 8 Endocrine Society, the American Society for Reproductive
- 9 Medicine, the Society for Cardiovascular Angiography and
- 10 Interventions, the American Urological Association, and the
- 11 American College of Surgeons.
- 12 (b) Obesity is a complex chronic disease, one in which genetics,
- 13 the environment, and biology all play important factors.
- 14 (c) Obesity is linked to more than 200 comorbid conditions.
- 15 (d) Obesity is associated with an increased risk of 13 types of
- 16 cancer.
- 17 (e) From 2005 to 2014, most cancers associated with obesity
- 18 and being overweight increased in the United States, while cancers
- 19 associated with other factors decreased.
- 20 (f) Obesity reduces a patient's overall survival rate and
- 21 cancer-specific survival rate, as well as increases the risk of cancer
- 22 recurrence.
- 23 (g) Obesity disproportionately affects communities of color.
- 24 (h) Obesity is impacted by socioeconomic status.
- 25 (i) Adults suffering from obesity have a 55-percent higher risk
- 26 of developing depression over their lifetime.
- 27 (j) Obesity accounts for 47 percent of the total cost of chronic
- 28 diseases in the United States.
- 29 (k) Obesity is a highly stigmatized disease.

1 (l) Barriers to accessing obesity treatments include stigma,  
2 racism, and discrimination.

3 ~~(m) The California Code of Regulations currently requires~~  
4 ~~coverage of outpatient prescription drugs for the treatment of~~  
5 ~~obesity, but only when a patient is diagnosed with “morbid~~  
6 ~~obesity,” modernly referred to as “severe obesity.”~~

7 ~~(n) Chronic diseases without the stigma, racism, and~~  
8 ~~discrimination of obesity do not require patients to reach the~~  
9 ~~designation of “morbid” to be worthy of treatment options that~~  
10 ~~include outpatient prescription drugs.~~

11 *(m) The federal Patient Protection and Affordable Care Act*  
12 *(Public Law 111-148) requires health plans to cover certain*  
13 *preventative services, subject to United States Preventive Services*  
14 *Task Force recommendations, without cost sharing, including*  
15 *obesity screening and intensive, multicomponent behavioral*  
16 *interventions for individuals with a body mass index of 30 or*  
17 *higher.*

18 ~~(o)~~

19 ~~(n) The Obesity-Treatment-Parity Care Access Act would~~  
20 ~~address health equity gaps and social determinants of health for~~  
21 ~~Californians by ensuring the full range of treatment options are~~  
22 ~~available to patients, without them having to reach a level of~~  
23 ~~obesity considered “morbid.” for patients with obesity.~~

24 SEC. 3. Section 1374.6 is added to the Health and Safety Code,  
25 to read:

26 1374.6. (a) An individual or group health care service plan  
27 contract that provides coverage for outpatient prescription drug  
28 benefits and is issued, amended, or renewed on or after January  
29 1, 2026, shall include coverage for ~~all~~ *both* of the following for  
30 the treatment of obesity:

31 ~~(1) Intensive behavioral therapy.~~

32 ~~(2)~~

33 ~~(1) Bariatric surgery.~~

34 ~~(3)~~

35 ~~(2) At least one FDA-approved antiobesity medication.~~

36 (b) This section does not prohibit a plan from applying  
37 utilization management to determine the medical necessity for  
38 treatment of obesity under this section if appropriateness and  
39 medical necessity determinations are made in the same manner as

1 those determinations are made for the treatment of any other illness,  
2 condition, or disorder covered by a contract.

3 (c) Coverage criteria for FDA-approved antiobesity medications  
4 shall not be more restrictive than the FDA-approved indications  
5 for those treatments.

6 (d) For purposes of this section, “FDA-approved antiobesity  
7 medication” means a medication approved by the United States  
8 Food and Drug Administration with an indication for chronic  
9 weight management in patients with obesity.

10 (e) This section does not apply to a specialized health care  
11 service plan contract that covers only dental or vision benefits or  
12 a Medicare supplement contract.

13 (f) *This section does not limit existing prescription drug*  
14 *coverage requirements, including the requirements of Section*  
15 *1300.67.24 of Title 28 of the California Code of Regulations.*

16 ~~SEC. 4. Section 10123.62 is added to the Insurance Code, to~~  
17 ~~read:~~

18 ~~10123.62. (a) An individual or group health insurance policy~~  
19 ~~that provides coverage for outpatient prescription drug benefits~~  
20 ~~and is issued, amended, or renewed on or after January 1, 2026,~~  
21 ~~shall include coverage for all of the following for the treatment of~~  
22 ~~obesity:~~

23 ~~(1) Intensive behavioral therapy.~~

24 ~~(2) Bariatric surgery.~~

25 ~~(3) At least one FDA-approved antiobesity medication.~~

26 ~~(b) This section does not prohibit an insurer from applying~~  
27 ~~utilization management to determine the medical necessity for~~  
28 ~~treatment of obesity under this section if appropriateness and~~  
29 ~~medical necessity determinations are made in the same manner as~~  
30 ~~those determinations are made for the treatment of any other illness,~~  
31 ~~condition, or disorder covered by a policy.~~

32 ~~(c) Coverage criteria for FDA-approved antiobesity medications~~  
33 ~~shall not be more restrictive than the FDA-approved indications~~  
34 ~~for those treatments.~~

35 ~~(d) For purposes of this section, “FDA-approved antiobesity~~  
36 ~~medication” means a medication approved by the United States~~  
37 ~~Food and Drug Administration with an indication for chronic~~  
38 ~~weight management in patients with obesity.~~

1     ~~(e) This section does not apply to a specialized health insurance~~  
2     ~~policy that covers only dental or vision benefits or a Medicare~~  
3     ~~supplement policy.~~

4     ~~SEC. 5.~~

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