



## Provider Alert

**To:** Sharp Health Plan Providers and Provider Office Staff  
**From:** Sharp Health Plan  
**Date:** January 30, 2026  
**Subject:** All Plan Letter (APL) 25-020 - Newly Enacted Statutes Impacting Health Plans

Attention Provider Partners,

Sharp Health Plan is sharing this notice to keep providers informed about important California state legislation included in All Plan Letter (APL) 25-020. These updates outline new requirements that will take effect beginning in 2025 and beyond. Below is a list of the bills covered in this APL:

Bill	Title	Page #
AB 116	Health Omnibus Trailer Bill	2
AB 260	Sexual and Reproductive Health Care	4
AB 951	Health Care Coverage: Behavioral Diagnosis	8
AB 1041	Health Care Coverage: Health Care Provider Credentials	10
SB 40	Health Care Coverage: Insulin	13
SB 41	Pharmacy Benefits	16
SB 62	Health Care Coverage: Essential Health Benefits	24
SB 306	Health Care Coverage: Prior Authorizations	25
SB 386	Dental Providers: Fee-Based Payments	26
SB 402	Health Care Coverage: Autism	30
SB 439	California Health Benefit Review Program: Extension	31
SB 497	Legally Protected Health Care Activity	31

Outlined below are the key legislative updates identified by Sharp Health Plan for provider partners:

### **SB 40: Health Care Coverage: Insulin**

- For large group contracts issued, amended, or renewed on or after January 1, 2026, plans may not impose cost sharing exceeding \$35 for a 30-day supply of an insulin prescription drug, and must include at least one insulin for each drug type in all forms and concentrations

NOTICE: The information contained in this message may be privileged and confidential and is only for the use of the individual or entity named on this coversheet. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver the message to the intended recipient, the reader is hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If this communication has been received in error, please notify Sharp Health Plan immediately and destroy all information received. U.S. Department of Health and Human Services. (n.d.). Uses and disclosures for treatment, payment, and health care operations. HHS.gov.

# **SHARP** Health Plan

on the formulary.

- For individual and small group contracts issued, amended, or renewed on or after January 1, 2027, insulin in Tier 1 or Tier 2 is subject to the \$35/30-day supply cap, and at least one insulin in each drug type must be placed in Tier 1 or Tier 2.
- Plans are also prohibited from imposing step therapy protocols on at least one insulin in each FDA-approved drug type.

## **AB 260: Reproductive Health**

- Effective September 26, 2025, AB 260 prohibits health plan contracts from limiting or excluding coverage for brand or generic mifepristone based solely on off-label use, unless the State determines such limits are necessary to address an imminent health or safety concern.
- Plans must include coverage when criteria in Section 1367.21(b) are met, including recognition by the WHO Essential Medicines List or WHO abortion care guidelines.
- Plans may not include any term in provider contracts that results in termination, nonrenewal, or penalization of a provider based solely on:
  - Actions taken in another state under laws that interfere with care lawful in California. ---or--- The lawful manufacture, dispensing, or handling of mifepristone or any medication abortion drug in California.

More details regarding APL 25-020 can be found on the [DMHC website](#).

Questions? Please contact Sharp Health Plan Provider Account Management by email at [provider.relations@sharp.com](mailto:provider.relations@sharp.com) or by phone at 1-858-499-8330. Thank you for your partnership.

Best regards,

Sharp Health Plan  
Provider Account Management  
[provider.relations@sharp.com](mailto:provider.relations@sharp.com)  
Tel: 1-858-499-8330 | Fax: 1-858-303-9049

NOTICE: The information contained in this message may be privileged and confidential and is only for the use of the individual or entity named on this coversheet. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver the message to the intended recipient, the reader is hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If this communication has been received in error, please notify Sharp Health Plan immediately and destroy all information received. U.S. Department of Health and Human Services. (n.d.). Uses and disclosures for treatment, payment, and health care operations. HHS.gov.