



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:

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AB 951	Health Care Coverage: Behavioral Diagnosis	8
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SB 402	Health Care Coverage: Autism	30
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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

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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 or by phone at 1-858-499-8330. Thank you for your partnership.

Best regards,

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