
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 432 (Bauer-Kahan) - Menopause

Version: July 17, 2025

Policy Vote: B., P. & E.D. 9 - 0, HEALTH
10 - 0

Urgency: No

Mandate: Yes

Hearing Date: August 18, 2025

Consultant: Janelle Miyashiro

Bill Summary: AB 432 revises continuing medical education (CME) course requirements for physicians and osteopathic physicians who complete courses in perimenopause, menopause, and postmenopausal care. AB 432 also requires health plans and insurers to include coverage for evaluation and treatment options for perimenopause and menopause, as is deemed medically necessary by the treating health care provider without utilization management for treatments approved by the federal Food and Drug Administration (FDA), as specified.

Fiscal Impact:

- The Department of Managed Health Care (DMHC) reports total costs of approximately \$504,000 and 2.0 personnel years (PYs) in Fiscal year (FY) 2026-27 and \$490,000 and 2.0 PYs in FY 2027-28 and annually ongoing (Managed Care Fund). Costs will be to the DMHC's Office of Plan Monitoring, Office of Administrative Services, and Office of Technology and Innovation.
- Unknown, likely significant increase to health plan premiums (General Fund and federal funds). The California Health Benefits Review Program (CHBRP) estimates an overall increase of \$748,000 to Medi-Cal Managed Care plan premiums and \$170,000 to Medi-Cal County Organized plan premiums based upon removal of utilization management requirements on drugs. CHBRP estimates DMHC-regulated California Public Employees' Retirement System (CalPERS) plan premiums would increase by \$3.49 million.
- The California Department of Insurance (CDI) reports costs of approximately \$11,000 in FY 2025-26, \$23,000 in FY 2026-27, and \$5,000 annually ongoing (Insurance Fund).
- The Medical Board of California (MBC) and Osteopathic Medical Board of California anticipate minor and absorbable costs to update CME regulations, materials, procedures, trainings, and guides, as well as create new enforcement codes.

Background: The DMHC regulates health plans under the Knox-Keene Act and the CDI regulates health insurance. Current law requires DMHC-regulated health plans that provide coverage for outpatient prescription drugs to cover medically necessary prescription drugs, including nonformulary drugs determined to be medically necessary consistent with the Knox-Keene Act. If a health plan or insurer that provides coverage for prescription drugs fails to respond to a prior authorization or step therapy exception request within 72 hours for non-urgent requests, and within 24 hours if exigent

circumstances exist, upon the receipt of a completed form, the request is deemed granted. Current law also requires a health plan or insurer to expeditiously grant a request for a step therapy exception if the provider submits the necessary justification and clinical detail, as specified.

Proposed Law:

- Requires, beginning July 1, 2026, a physician or an osteopathic physician who completes CME courses in perimenopause, menopause, and postmenopausal care to receive two hours of credit for each hour completed of that coursework, for a total earned credit not exceeding eight course hours, toward the requirement set forth in regulations. Deletes a requirement that the MBC consider including a continuing medical education course in menopausal mental or physical health.
- Requires a health plan contract or insurance policy that covers outpatient prescription drugs, except for a specialized health plan contract or insurance policy, that is issued, amended, or renewed on or after January 1, 2026, to include coverage for evaluation and treatment options for perimenopause and menopause, as is deemed medically necessary by the treating health care provider under contract with the health care service plan or in accordance with the contract if there is an out-of-network benefit, without utilization management for treatments approved by the FDA, as specified.
- Requires this coverage to include authority for the treating provider to adjust the dose of a drug consistent with clinical care recommendations.
- Requires health plans and insurers to annually provide current clinical care recommendations for hormone therapy from the Menopause Society or other nationally recognized professional associations to all contracted primary care providers who treat enrollees or insureds with perimenopause and menopause. Requires plans and insurers to encourage primary care providers to review those recommendations.
- Requires coverage for the evaluation and treatment options for perimenopause and menopause to be provided without discrimination on the basis of gender expression or identity. Requires this bill not to be construed to limit coverage for medically necessary outpatient prescription drugs, as specified, or any other provision under the law.

Related Legislation: AB 2467 (Bauer-Kahan, 2024) was substantially similar to this bill and would have likewise required health plans and insurers to provide coverage for the evaluation and treatment options for perimenopause and menopause, as is deemed medically necessary by the treating health care provider without utilization management. AB 2467 was vetoed.

AB 2270 (Maienschein, Chapter 636, Statutes of 2024) requires various health professional licensing boards to consider including a course in menopausal mental or physical health to standards and requirements for licensee continuing education.