

June 18, 2025

The Honorable Caroline Menjivar Chair, Senate Health Committee 1021 O Street, Room 3310 Sacramento, CA 95814

SUBJECT: AB 512 (Harabedian) as amended April 28, 2025 — SUPPORT

Dear Senator Menjivar:

When timely access to medically necessary care is delayed or denied, patients suffer and medical outcomes are compromised. Too often, those harmful delays and denials are caused by a process known as prior authorization. Thoughtful and comprehensive prior authorization reform is necessary to ensure that California's residents receive the care they need, when they need it.

This is why the California Hospital Association (CHA), on behalf of more than 400 hospitals and health systems, supports Assembly Bill (AB) 512, which would shorten the timelines for insurers to respond to prior authorization requests. Response windows would be reduced from within five business days to no more than 48 hours for standard requests, and from 72 hours to 24 hours for urgent requests, starting from the plan's receipt of reasonable and necessary information.

Physicians who have already dedicated time and resources to developing a treatment plan should receive a timely response to their request for prior authorization — as should the patients they care for. Too often, patients are left in limbo, unable to proceed with care until a decision is made by the insurer. For example, California hospitals report that some patients awaiting transfer to a skilled-nursing facility or other post-hospital setting may be delayed 72 hours or more as they await prior authorization. As a result, these patients remain in hospital beds, increasing costs and reducing access for others in need.

The provisions of AB 512 represent a basic and critical step toward improving the prior authorization process by ensuring time-sensitive treatments can proceed as needed while still allowing sufficient time for review.

For these reasons, CHA requests your "AYE" vote on AB 512.

Sincerely,

Kalyn Dean

Kalyn Dean

Vice President, State Advocacy

cc: The Honorable John Harabedian
The Honorable Members of the Senate Health Committee
Teri Boughton, Principal Consultant, Senate Health Committee
Tim Conaghan and Joe Parra, Health Consultants, Senate Republican Caucus