

May 27, 2025

CHA Position: **Vote YES on SB 306**

To: The Honorable Members of the California State Senate

From: Kalyn Dean, Vice President, State Advocacy

SB 306 (Becker) — SUPPORT

When timely access to medically necessary care is delayed or denied, waiting patients suffer; their medical outcomes are compromised; and their health care costs increase. One major cause of delays in access to care and hospital discharge is the process known as prior authorization — when health care plans require that providers obtain approval before a patient can receive certain health care services or treatments. Requiring clearer standards for meaningful and timely review of authorization requests, as well as increased transparency regarding service denials and appeals, will ensure California’s residents can receive the medical 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 Senate Bill (SB) 306. This bill would streamline prior authorization by prohibiting health care plans from imposing this requirement on a covered health care service for a period of one year if specified conditions exist — including that the health care plan approved 90% or more of the requests for a covered service in the prior calendar year.

This bill would make important changes that improve not only the prior authorization process, but also health plan and insurer accountability and transparency — and it would remove barriers that cause harmful and unnecessary interruptions in care.

For these reasons, CHA strongly urges your AYE vote on SB 306