



March 27, 2025

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

SUBJECT: SB 530 (Richardson) – SUPPORT

Dear Senator Menjivar:

With California's recent investments to expand Medi-Cal benefits and extend eligibility to all low-income residents, ensuring meaningful access for all enrollees is more critical than ever. The promise of these coverage gains is rendered hollow if Medi-Cal patients cannot receive services when needed from providers in their communities. Timely access to services in Medi-Cal managed care — the primary delivery system for most of the program's 15 million beneficiaries — is supported by quantitative network adequacy standards and ongoing compliance monitoring by the Department of Health Care Services (DHCS). Despite the need, the state's foundational time and distance and appointment wait time standards are set to expire at the end of this year.

In addition, DHCS has routinely approved thousands of exemptions from these standards — many on a multi-year basis. However, there is limited transparency to ensure these exemptions aren't negatively affecting enrollees' access to care or that plans are actively working toward compliance.

For these reasons, the California Hospital Association (CHA), on behalf of more than 400 hospitals and health systems, supports Senate Bill (SB) 530, which would permanently extend current network adequacy standards, require plans to obtain annual approval for alternative access standards, and make additional changes to strengthen compliance for timely access to care.

Medi-Cal beneficiaries continue to face restrictive provider networks, limiting access to hospitals and other essential services. This threatens their ability to receive timely care from providers in their communities and strains capacity in an already overburdened system. In response, the federal Centers for Medicare & Medicaid Services (CMS) has called for stronger plan accountability and DHCS oversight in the administration of Medi-Cal managed care and behavioral health delivery systems. This directive is clear in the latest renewal under the California Advancing and Innovating Medi-Cal (CalAIM) section 1915(b) waiver, which requires DHCS to facilitate multiple independent assessments and implement a detailed work plan to improve access.

By eliminating the current sunset and strengthening transparency and accountability in network adequacy enforcement, SB 530 will help California meet these federal expectations and fulfill its responsibility to ensure timely access to care.

For these reasons, **CHA requests your “YES” vote on SB 530.**

Sincerely,



Kalyn Dean
Vice President, State Advocacy

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