



July 22, 2024

The Honorable Buffy Wicks
Chair, Assembly Appropriations Committee
1020 N Street, Room 8220
Sacramento, CA 95814

SUBJECT: SB 294 (Wiener) – SUPPORT

Dear Assemblymember Wicks:

California's hospitals see firsthand the devastating impact of lack of timely access to medically necessary care that may accompany the prior authorization process. When care is delayed or denied, waiting patients suffer and medical outcomes are compromised. Physicians and other providers are forced to divert valuable time and resources from patient care to the process of prior authorization and time-consuming communication and appeals.

On behalf of our more than 400 hospital and health system members, the California Hospital Association (CHA) is writing to express support for Senate Bill (SB) 294 (Wiener, D-San Francisco), which would require a health care service plan or disability insurer that provides coverage for mental health or substance use disorders (SUDs) to treat a modification, delay, or denial issued in response to an authorization request for coverage of treatment for a mental health or SUD for an insured up to 26 years of age as a grievance.

Access to behavioral health services for children has emerged as a major concern in our society. This measure represents a critical step in addressing the current crisis in our state. Physicians who treat children with mental health and SUDs must be able to select and implement the most effective treatment regimen, without the unnecessary barriers and delays that occur with a requirement for prior authorization.

CHA supports sensible prior authorization reform, as well as increased state oversight of plan behavior. As currently implemented by some health care plans, the prior authorization process presents an unnecessary and harmful barrier to timely care access. The current proposal represents important patient protections by escalating the review process when there are changes or denials in a prescribed treatment plan are made by the plan.

For these reasons, CHA requests your "AYE" vote on SB 294.

Sincerely,



Meghan Loper,
Consulting Lobbyist, California Hospital Association

cc: The Honorable Scott Weiner
The Honorable Members of the Assembly Appropriations Committee
Allegra Kim, Consultant Assembly Appropriations Committee
Justin Boman, Consultant, Assembly Republican Caucus