



September 5, 2024

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

SUBJECT: SB 1120 (Becker) – REQUEST FOR SIGNATURE

Dear Governor Newsom:

On behalf of more than 400 hospitals and health systems, the California Hospital Association (CHA) is writing to request your signature on Senate Bill (SB) 1120, which would require algorithms, artificial intelligence, and other software tools used for utilization management to be compliant with certain specified requirements, including that they be applied fairly and equitably.

Timely access is essential to the delivery of effective health care. Unfortunately, timely access is frequently hampered by the prior authorization (PA) processes established by many insurers, including an over-reliance on automated claims processing, such as the use of artificial intelligence (AI).

The use of these technological models informed by prior experience may help streamline and provide support for the decision-making and care planning process. However, these tools may not have the ability to recognize and accommodate an individual patient's unique circumstances.

Prohibiting discrimination against individuals based on their identity as envisioned in this bill should result in minimal costs to the state's general fund. CHA views the use of PA and AI as valuable tools that can support – but not replace – care planning overseen by an appropriately qualified clinician.

For these reasons, CHA requests your "AYE" vote on SB 1120.

Sincerely,

A handwritten signature in black ink, appearing to read "K Scott", with a long horizontal flourish extending to the right.

Kathryn Scott
Senior Vice President, State Relations and Advocacy

cc: The Honorable Josh Becker
Angela Pontes, Deputy Legislative Secretary, Office of the Governor