

LEGISLATIVE UPDATE



Week of August 25, 2025

State Issues

Legislative
Update:
Appropriations
Suspense

Today (Friday) is the deadline for bills to pass out of their final fiscal Committee for this Legislative session. The Assembly voted on about 261 bills today and the Senate dispensed with about 425 bills. Any bill that was “held” by the Committee, misses the deadline and is done for the year. Since this is the first year of a two-year session, some bills have been designated as two-year bills and will have a chance to come back to life next year. Bills that passed out of Committee will make their way to their respective houses to be voted on over the next two weeks. The Legislative Session is set to end on Friday, September 12, 2024.

The Department of Finance has been publishing their positions on many of the bills leading up to today’s votes. You can search their website for analyses [here](#). While an Oppose position from Finance does not automatically mean Governor Newsom will veto a measure, it can be a good indication of where the Administration stands on a bill, and indicates an author has an uphill battle. Following is a snapshot of some of the priority bills that saw action today. Many of these are to be amended, and amendments will come into print in the next few days.

AB 55 (Bonta): Alternative birthing centers: licensing requirements – *Passed*

AB 224 (Bonta): establishes a new essential health benefits (EHB) benchmark plan, to include IVF, hearing aids and certain DME – *Passed*

AB 237 (Patel): makes a crime threats of harm that would result in death against health care facilities, childcare centers, or places of worship – *Passed*

AB 416 (Krell): Allows ED physicians to place and release 5150 holds – *Passed*

AB 432 (Bauer Kahan): Menopause – *Passed, with amendments to remove Medi-Cal plans*

AB 512 (Harabedian): Shortens the timeline for prior authorization requests – *Passed*

AB 543 (Gonzalez): Street medicine – *Passed, with amendments to remove presumptive eligibility*

AB 849 (Soria): Requires health care facilities to provide medical chaperones for sensitive services – *Passed, with amendments to make clarifying changes*

AB 1312 (Schiavo): Would require a hospital to prescreen a patient for presumptive eligibility for the hospital's charity care policy and discount payment policy – *Passed*

AB 1400 (Soria): Community colleges: BA degree in nursing pilot program – *Passed*

AB 1418 (Schiavo): Requires HCAL to collect and report information regarding health coverage for healthcare workers, as specified – *Passed, with amendments to modify reporting requirements*

SB 32 (Weber Pierson): Requires the development of time and distance standards for labor and delivery – *Held in Committee*

(more)

<p>Legislative Update: Appropriations Suspense (continued)</p>	<p>SB 41 (Weiner): Regulates certain practices of a PBM that make it harder for patients to access needed medications, including how the PBM pays pharmacies and is compensated – <i>Passed, with amendments to remove insurance code, add financial audits and other changes</i></p> <p>SB 306 (Becker): Eliminates the need for prior authorization for certain services for physicians who have a 90% approval rate for those services – <i>Passed, with amendments related to treatment modifications</i></p> <p>SB 363 (Wiener): Holds health plans liable for administrative penalties if more than 50% of IMRs result in an overturn of treatment denial or modification – <i>2-year bill</i></p> <p>SB 403 (Blakespear): Eliminates the sunset provision, making the End-of-Life Option Act permanent law – <i>Passed with author's amends to remove stakeholder process</i></p> <p>SB 503 (Weber Peirson): Requires AI systems used in certain health care applications make certain efforts to mitigate risk of bias, including the use of an independent third-party auditor to assess compliance – <i>Passed</i></p> <p>SB 530 (Richardson): As amended, extends sunset for time and distance standards for Medi-Cal plans to 3 years – <i>Passed</i></p> <p>SB 596 (Menjivar): Sets requirements for hospital on-call lists – <i>Passed, with amendments to remove timeline</i></p> <p>SB 660 (Menjivar): Health Data Exchange Framework – <i>Passed, with amendments to remove the Governing Board</i></p> <p>SB 669 (McGuire): Creates a pilot program for certain rural hospitals to develop labor and delivery models that tailor services to the needs of those communities – <i>Passed</i></p>
<p>DCHS Releases New Plan for Cal AIM</p>	<p>California's Department of Health Care Services (DHCS) has started the work to renew the waivers that are critical to CalAIM's reforms with the release of a concept paper, Continuing the Transformation of Medi-Cal. In the paper, DHCS outlines its "vision and goals for the next five years, including plans for advancing the renewal of the CalAIM waivers and other initiatives." Of note, DHCS "proposes to continue and strengthen" Enhanced Care Management and Community Supports, which are the benchmark programs of the CalAIM reforms. Two new publications put California's approach to addressing health-related social needs through Medi-Cal in a national context, looking at the strategies used by other states across the political divide. Both also look at the impact on health care cost outcomes.</p> <p>The first paper from the California Health Care Foundation highlights services for people experiencing homelessness. A Home and Healing: How Medicaid Improves Health and Lowers Costs Among Members Experiencing Homelessness. The brief outlines how a number of states from across the political spectrum (Arizona, California, Louisiana, Maryland, Massachusetts, Montana, and North Carolina) have reformed their Medicaid programs to support the health of homeless beneficiaries. The second analysis seeks to put CalAIM into a national context by outlining the authorities that California uses for Enhanced Care Management and Community Supports and how those compare to other states' approaches to covering similar services. You can find this publication from the Center for Health Care Strategies here.</p>
<p>New Assembly Member</p>	<p>This week, Republican Natasha Johnson declared victory over her Democratic opponent, Chris Shoults, in the special election to fill the vacancy left by Bill Essayli. Essayli resigned on April 1 after he was appointed as the U.S. Attorney for a district encompassing much of Southern California. She will serve the remainder of Essayli's term, which expires at the end of 2026. Her district includes Norco, Menifee, Lake Elsinore and Canyon Lake along with parts of Eastvale, Riverside and Corona. Johnson was elected to the Lake Elsinore City Council in 2012, where she served three terms as Mayor. According to reports, her campaign garnered a great deal of support from the Riverside Sheriff's Association.</p>

For more information, please contact Lori Dangberg at 1215 K Street, Suite 2040 ■ Sacramento, CA 95814 ■ ldangberg@thealliance.net