



June 12, 2025

The Honorable Caroline Menjivar
Chair, Senate Health Committee
1021 O Street, Room 6630
Sacramento, CA 95814

Re: SUPPORT – AB 539 (Schiavo) Health care coverage: prior authorizations

Dear Chair Menjivar,

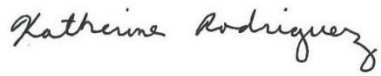
On behalf of the members of the California Association of Public Hospitals and Health Systems and the millions of patients they serve, I am writing to voice our support for AB 539 (Schiavo), which would require a health care service plan's or health insurer's prior authorization for a health care service to remain valid for a period of at least one year from the date of approval, or throughout the course of prescribed treatment if less than one year.

California's 17 public health care systems, which include county-operated and affiliated facilities and the five University of California health systems, are the core of the state's health care safety net. County public health care systems have a mission and mandate to deliver high-quality care to all, regardless of ability to pay or insurance status, across a comprehensive range of services. Despite representing only 6% of all hospitals statewide, public health care systems provide 35% of all Medi-Cal and uninsured hospital care. They contribute over \$4 billion annually to the Medi-Cal program, in place of the state's share, with many of their payments uniquely tied to quality and performance improvements. Additionally, these systems train a diverse and inclusive workforce, including nearly half of all new doctors in hospitals across the state.

Current industry standards for approved prior authorization requests can create significant challenges for providers. Obtaining prior authorizations is labor and resource intensive and submitting repeated requests for the same condition is a drain on limited resources. For example, in some cases it can take several months for a patient referred for non-emergent specialty care to schedule an appointment. If an appointment is scheduled more than the typical 60-90 day approval window, the prior authorization must be resubmitted—and this is before the patient receives the needed care. By reducing redundant paperwork and streamlining administrative processes, this legislation would allow our members to focus on what matters most: delivering quality care to the communities we serve.

We would be pleased to further discuss our support for this bill with you and answer any questions you may have. Please contact Kelly Brooks-Lindsey, at 916.753.0844 or kbl@hbeadvocacy.com, if you would like to follow up. Thank you for your consideration and leadership on this issue.

Sincerely,

A handwritten signature in cursive script that reads "Katherine Rodriguez".

Katie Rodriguez
Vice President of Policy and Government Relations
California Association of Public Hospitals and Health Systems

cc: The Honorable Pilar Schiavo
The Honorable Members of the Senate Health Committee
Teri Boughton, Principal Consultant, Senate Health Committee
Tim Conaghan, Consultant, Senate Republican Caucus
Joe Parra, Consultant, Senate Republican Caucus