

July 2, 2025

The Honorable Caroline Menjivar, Chair
Senate Health Committee
1021 O Street, Suite 1200
Sacramento, California 95814

Re: AB 669

Dear Chair Menjivar:

The Association for Behavioral Health and Wellness (ABHW) is writing to respectfully submit comments opposing AB 669, which would require health plans to cover certain services without prior authorization, including medically necessary prescription drugs, outpatient services, and the first 28 days of inpatient, intensive outpatient, or partial hospitalization treatment. If California removes the ability for health plans to perform utilization management for the first 28 days for particular services, there will be unintended consequences that will impact patient safety and quality and drive up the cost of care.

ABHW is the national voice for payers managing behavioral health (BH) insurance benefits. Our member companies provide coverage to 200 million people in the public and private sectors to treat mental health (MH), substance use disorders (SUDs), and other behaviors that impact health and wellness. Our organization aims to increase access, drive integration, support prevention, raise awareness, reduce stigma, and advance evidence-based treatment and quality outcomes. Furthermore, through our policy work, we strive to promote equal access to quality treatment and address the stark inequities created by historic structural and systemic disparities in access and quality of care.

AB 669's elimination of utilization management for the first 28 days of inpatient SUD treatment, including prior authorization and concurrent review, risks unintended consequences. Utilization management is essential to ensure medical necessity, support individualized treatment planning consistent with American Society of Addiction Medicine (ASAM) criteria, and facilitate effective discharge and recovery transitions. Without these safeguards, patient outcomes may worsen, costs will escalate, and the continuum of care will fracture.

We support the proposed amendments submitted by the California Association of Health Plans (CAHP), which reflect necessary safeguards to ensure medical necessity and coordinated care while balancing administrative feasibility. We urge the Senate Health Committee to amend AB 669 to:

- Limit non-review protections for inpatient substance use disorder treatment to 7 days, consistent with established federal and state standards, rather than extending protections to 28 days.

- Eliminate prior authorization and concurrent review beyond the initial inpatient period unless the facility notifies the insurer of both the admission and the initial treatment plan—consistent with ASAM clinical care guidelines—within 48 hours of admission. Only upon this timely notification should utilization management activities be permitted to ensure medical necessity and coordinated care.
- Require the facility to conduct daily clinical reviews, including regular consultation and communication with the insurer, using evidence-based, peer-reviewed clinical review tools to ensure that inpatient treatment remains medically necessary and individualized.
- Maintain utilization management guided by ASAM criteria to ensure lengths of stay are evidence-based and medically appropriate.

Furthermore, we emphasize that case management services must continue without interruption during the inpatient stay, including:

- Active discussion and advocacy for evidence-based care options in treatment and discharge plans, especially Medication Assisted Treatment (MAT).
- Comprehensive discharge planning assistance, identifying recovery supports, such as 12-step and peer support groups, and services for families to promote sustained recovery.
- Identification of eligibility for Intensive Case Management programs designed to support transitions to community care, promote stabilization, and enhance treatment adherence.

Additionally, we recommend striking Section 3 regarding outpatient prescription drugs. Existing law already requires coverage of key SUD medications without prior authorization or utilization review, rendering this provision unnecessary and potentially disruptive.

Similar legislation in other states has led to increased readmissions, poorer discharge planning, and diminished use of MAT—outcomes that ABHW believes would be replicated in California without these critical amendments.

ABHW remains committed to expanding access to high-quality, evidence-based behavioral health care. We appreciate your consideration of these concerns and stand ready to collaborate to improve AB 669. Please direct any questions to Kathryn Cohen, Senior Director of Regulatory Affairs, at cohen@abhw.org.

Sincerely,



Debbie Withey
President and CEO