


September 12, 2025

Welcome to America's Physician Groups' *California Update*. Each week APG reports the latest on health care happenings in the Golden State.

Here's what you'll find in this week's edition:

- Two Days Remain In The [2025 Legislative Session](#)
- APG Publishes Issue Briefs: [Transforming Care For Duals](#) With Aligned Medicare Medi-Cal Plans In California
- 2025 APG California Policy & Advocacy [Meeting Dates](#)
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Two Days Remain In The 2025 Legislative Session

The 2025 California legislative session is drawing to a close this Saturday evening. The following list of our high priority bills for this session indicates our position and the current status of the legislation. We will report the final actions of the Legislature next week, after the session has been adjourned Saturday evening. Please note that the Governor will then have a 30-day period to act on all enrolled bills – whether to sign or veto them. APG will continue to lobby bills that are before the Governor during this period.

Artificial Intelligence

AB 1018 (Bauer-Kahan) – Automated Decision Systems

- **APG Position:** Oppose
- **Status:** On third reading in the Senate (as of 9/11/25)
- **Purpose:** Regulates development and deployment of automated decision systems (ADS) that materially impact individuals, requiring transparency and accountability in AI use

SB 420 (Padilla) – Automated Decision Systems

- **APG Position:** Neutral
- **Status:** Failed deadline; eligible for action in 2026

- **Purpose:** California AI Transparency Act, requiring providers of high-risk AI systems to conduct impact assessments and provide detection tools for provenance data

Consumer Protection

SB 25 (Umberg) – Antitrust Premerger Notification

- **APG Position:** Watch
- **Status:** Ordered to inactive file (9/8/25)
- **Purpose:** Requires parties filing under federal Hart-Scott-Rodino Act to also file with California’s Attorney General for large in-state transactions

Corporate Practice of Medicine

SB 351 (Cabaldon) – Health Facilities / Corporate Practice

- **APG Position:** Watch
- **Status:** Amended and awaiting third reading (9/8/25)
- **Purpose:** Increases oversight of private equity/hedge fund acquisitions of physician and dental practices, raising corporate practice concerns

Health Care Coverage

AB 980 (Arambula) – Medically Necessary Treatment

- **APG Position:** Oppose
- **Status:** Failed deadline; eligible for 2026
- **Purpose:** Would define “medically necessary health care service” across standards (Medicare, Medicaid, commercial) — a shift from Knox-Keene flexibility

AB 1041 (Bennett) – Credentialing Standards

- **APG Position:** Support
- **Status:** Senate amendments concurred in; to Engrossing & Enrolling (9/9/25)
- **Purpose:** Establishes single credentialing standard under DMHC/CDI, with conditional approval within 90 days. Does not apply to Medicare, Medi-Cal, or self-funded coverage

Knox-Keene

SB 363 (Wiener) – Independent Medical Review Enforcement

- **APG Position:** Oppose
- **Status:** Failed deadline; eligible for 2026
- **Purpose:** Requires annual reporting of denials/modifications, and imposes penalties if IMRs overturn more than half of plan decisions

Malpractice

SB 29 (Laird) – Civil Actions (Decedent’s Cause of Action)

- **APG Position:** Oppose
- **Status:** Amended and advanced to Assembly floor (9/10/25)

- **Purpose:** Would extend sunset provisions affecting medical malpractice claims, undermining prior MICRA compromise (AB 35) and increasing litigation costs

OHCA

AB 1415 (Bonta) – Health Care Quality & Affordability Act

- **APG Position:** Neutral (shifted from Oppose after amendments)
- **Status:** Senate amendments concurred in; to Engrossing & Enrolling (9/8/25)
- **Purpose:** Expands OHCA's authority. MSOs excluded from cost-growth targets but still subject to market impact review, consistent with prior CMIR regulation

Prior Authorization

AB 510 (Addis) – Peer-to-Peer Review

- **APG Position:** Oppose Unless Amended
- **Status:** Failed deadline; eligible for 2026
- **Purpose:** Requires peer-to-peer review of denials by same/similar specialty physician within two business days

AB 512 (Harabedian) – Prior Authorization Timelines

- **APG Position:** Oppose Unless Amended
- **Status:** Senate amendments concurred in; to Engrossing & Enrolling (9/10/25)
- **Purpose:** Shortens PA turnaround times to 48 hours for standard requests, 24 hours for urgent (down from 5 days/72 hours)

AB 539 (Schiavo) – Duration of Prior Authorization

- **APG Position:** Oppose Unless Amended
- **Status:** Failed deadline; eligible for 2026
- **Purpose:** Would mandate that PAs remain valid for at least one year or for prescribed treatment course

AB 682 (Ortega) – Claims Denial Reporting

- **APG Position:** Concerns
- **Status:** Senate amendments concurred in; to Engrossing & Enrolling (9/10/25)
- **Purpose:** Requires plans to publish monthly denial data, creating compliance and reporting mandates

SB 306 (Becker) – Removal of Prior Authorization for High Approval Codes

- **APG Position:** Oppose Unless Amended
- **Status:** Assembly amendments concurred in; to Engrossing & Enrolling (9/9/25)
- **Purpose:** Eliminates PA requirements for services with ≥90% approval rates; mandates public posting of exempted services



APG Publishes Issue Briefs: Transforming Care For Duals With Aligned Medicare Medi-Cal Plans In California

APG is excited to share a series of three issue briefs focused on how capitated and delegated medical providers, health plans, and state policymakers can collaborate to effectively transform care for California's Duals (those eligible for both Medicare and Medi-Cal) through the implementation of aligned D-SNPs.

APG developed these issue briefs from focus groups and interviews conducted between September 2024 and January 2025 with 20 APG members who serve more than 200,000 Duals in California. Each brief focuses on a specific audience: 1) California policymakers, 2) health plans, and 3) medical providers. The series amplifies the care experience of accountable physician organizations, shares insights with key stakeholders, and addresses improvement opportunities that support the successful implementation of CalAIM's aligned D-SNPs.

APG thanks its participating member organizations and leaders, our project partner, [Transform Health, LLC](#), and our project sponsor, the [California Health Care Foundation](#).

Click [here](#) to access this issue brief series.



2025 APG California Policy & Advocacy Meeting Dates

Members, please mark your calendars for APG's California Policy Forum and California Medi-Cal Forum meetings. You can download APG's 2025 events calendar [here](#).

California Policy Forum

2:00 - 3:00 pm

- November 12

California Medi-Cal Forum

10:30 am - 12:30 pm

- October - TBD



APG Partners With CVEEP To Provide Members With Vaccine Related Resources

APG has partnered with [Champions for Vaccine Education, Equity and Progress \(CVEEP\)](#) to provide APG members with consumer-facing materials to assist with vaccine outreach and education in patient communications during the upcoming respiratory virus season. Please access tailored materials for APG members [here](#).



APG California Advocacy Member Resources

- **Tracked Health Care Bills [2025-26](#):** bills we're following in the California State Legislature
- **Digital Exchange Framework** [APG member tool kit](#), [QHIO webinar](#) and [DxF Program summary slide deck](#)
- **Office of Health Care Affordability** [regulations](#) and [explanatory slide deck](#)
- APG, Moss Adams, Sheppard Mullin **CMIR Regulation** [webinar](#) and [slides](#)
- **DMHC SB 510** [All Plan Letter](#) on Health Plan payment responsibilities
- **DMHC Quality and Equity Reporting** program [All Plan Letter](#)
- **DHCS Medi-Cal Medical Loss Ratio** [Implementation Summary](#)
- **DHCS Medi-Cal Connect** [Population Health Program](#) Information

For more news and resources, please visit APG's [website](#) or contact a member of APG's California advocacy team.

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