



December 5, 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:

- Implementation of [SB 306 – Prior Authorization Reform](#) Bill Moves Forward
- APG [2025 Legislative Summary](#) Slide Deck Is Now Available
- 2025 APG California Policy & Advocacy [Meeting Dates](#)
- APG California Advocacy Member [Resources](#)



Implementation of SB 306 – Prior Authorization Reform Bill Moves Forward

Eleven APG members met with Department of Managed Health Care Director Mary Watanabe and her senior staff on Tuesday, December 2 to discuss the implementation impacts of the CMA-sponsored prior authorization reform bill, SB 306.

Our members presented critical information on their use of the prior authorization process to coordinate patient care, ensure patient safety, monitor misdirection of referrals that create great patient out-of-pocket exposure, and monitor potential fraud, waste, and abuse. Representatives from the California Department of Insurance also attended this two-hour meeting with state regulators.

DMHC has requested that APG and its members provide data-driven input on authorizations, denials, and modifications as the regulator determines the best way to compile aggregated data on prior authorization performance. This will enable the development of a single list that excludes service codes from prior authorization. The list will take effect in January 2028.

APG's [SB 306 Implementation Guide](#) can provide our members with a critical analysis of the new law and how it will impact their operations. This guide explains DMHC's process for determining which services are

excluded from prior authorization. It is also important to note that the bill only applies to the fully insured commercial HMO and PPO market. It does not apply to Medi-Cal, Medicare, or self-funded coverage plans.

During Tuesday's meeting, some of the key points presented to the regulators included the need to maintain prior authorization for high-cost drugs, new therapies, oversight of referrals from new physicians, the ability to monitor and direct appropriate site of service, and many other details.

The Department is proposing a draft reporting template for the years 2023 & 2024 to the health plans that includes the following data elements:

Requested Data (Input by the health plans):

Medical Code (CPT, HCPCS, CDT, or drug code)

Total Processed Prior Authorizations

Total Approved Prior Authorizations

Total Denied Prior Authorizations

Total Modified Prior Authorizations

Automatically Calculated:

% of Approved Prior Authorizations

% of Modified Prior Authorizations

Validation columns ensuring the Total Processed Prior Authorizations and Medical Code input are accurate

Over the next two months, APG and its members will continue to engage with the Department to provide suggestions on which services should remain under prior authorization.

We are looking for further input across our California membership, so please let us know your questions and concerns.



APG 2025 Legislative Summary Slide Deck Is Now Available

For those of you who were not able to make today's California Policy Forum presentation on the 2025 legislative session, here is [our slide deck](#). In addition, we have a collection of [implementation guides](#) available on the key bills impacting our members.

We intend to update the implementation guides as further information becomes available. Don't hesitate to pose questions or issues upon your review.



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 Medi- Cal Forum

- December 16 at 4 - 5pm, [Register Here](#)



APG California Advocacy Member Resources

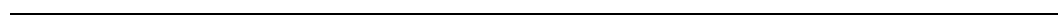
- [2025 Legislative Implementation Guide](#)
- **Tracked Health Care Bills 2025-26:** bills we're following in the California State Legislature
- **Office of Health Care Affordability** [regulations](#) and [explanatory slide deck](#)
- **DMHC Quality and Equity Reporting** program [All Plan Letter](#)

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

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