



April 24, 2026

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:

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### **APG Provides Detailed Input To DMHC On SB 306 Prior Authorization Data Template Following April 22 Stakeholder Meeting**

On April 22, 2026, the California Department of Managed Health Care (DMHC) convened a broad stakeholder meeting to advance implementation of SB 306, bringing together 106 participants representing health plans, America's Physician Groups (APG), the California Medical Association, consumer advocates, and legislative staff. The discussion focused on the Department's proposed prior authorization data collection template, which will form the analytical foundation for identifying services that may ultimately be exempted from prior authorization requirements.

Following the meeting, DMHC Deputy Director Amanda Levy acknowledged stakeholder feedback and requested that APG submit a refined and prioritized version of the data template fields for consideration in the first data call. This outreach reflects the Department's collaborative approach as it works to ensure that the data collected is both operationally feasible and analytically meaningful.

In response, APG submitted [a detailed comment letter](#) to DMHC Director Mary Watanabe outlining targeted recommendations to strengthen the template while preserving administrative practicality. APG emphasized that the success of SB 306 will depend on capturing data that accurately reflects real-world prior authorization practices, particularly within California's delegated care model.

APG's recommendations focused on several key enhancements. These included adding a "place of service" field, supported by a prioritized list of commonly used codes, to better contextualize the level of care, as well as incorporating specialty and vendor identifiers to improve analysis of utilization patterns. APG also raised important clarifications regarding the reporting framework, including the need to consistently include non-covered services (to properly reflect denial rates) and to clearly define the treatment of out-of-network requests in a manner aligned with operational realities.

In addition, APG highlighted concerns regarding the inclusion of low-volume and newly introduced codes, cautioning that limited utilization could distort approval rate calculations and lead to unreliable policy conclusions. The letter also urged clearer definitions around benefit denials, care redirection, and pre-decision coordination, issues that are particularly significant in delegated models where care decisions often occur before a formal authorization outcome is recorded.

The April 22 meeting and subsequent correspondence mark an important early step in the implementation of SB 306. Under the Department's proposed timeline, data collection will occur through two cycles in 2026 and 2027, culminating in the development of a list of services eligible for prior authorization exemption. **Importantly, that exemption list will become operative on January 1, 2028**, making the accuracy and integrity of the underlying data collection process critical to long-term policy outcomes.

APG will continue to engage closely with DMHC and stakeholders to ensure that the data framework supports a balanced, evidence-based approach to prior authorization reform that reflects the realities of patient care delivery in California.



### **APG Co-Sponsored Bill On CalVEBA Direct Contracting Pilot Advances On Health Committee Passage**

The Assembly Health Committee passed AB 2594 (Lowenthal) on consent during its Tuesday, April 22<sup>nd</sup>, hearing on pending health care bills. AB 2594 was slightly amended under the Chair's direction, with acceptance by the Author, to wrap up the pilot by December 31, 2030. The Department of Managed Care will need to produce an interim report in 2029 on the progress of the pilot. The amended bill allows for an expansion of the pilot, during the remainder of this decade to additional counties in Southern California, upon DMHC approval. The pilot has been in operation for two coverage years and has produced savings of

approximately \$10 million while generating favorable quality performance on several AMP measures. It currently serves approximately 5,000 members in San Diego County and includes three participating providers – Sharp Healthcare, Rady Children’s and UCSD.



### **2026 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 2026 events calendar [here](#).*

#### **California Policy Forum**

**2:00 - 3:00 pm**

- June 3
- December 3

#### **California Medi- Cal Forum**

**4:00 - 5:00 pm**

- May 12 - Register [here](#)
- June 9
- August 11
- October 13
- November 10
- December 8



### **APG California Advocacy Member Resources**

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

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

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