



August 21, 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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The Week In Review

APG is raising serious concerns at last-minute legislation, AB 280 and AB 539, and you should read our summaries closely. We also celebrate the work of our long-standing Medi-Cal Forum Chair, Sean Atha, for a unique and innovative problem-solving approach to ongoing problems with Medi-Cal. And we look forward to your participation in scheduled meetings. Enjoy your weekend!



APG Member Leads Sacramento County Effort To Address Specialty Care Access Gaps

APG recognizes [Sean Atha of Vivant Health](#) for his leadership in establishing a regional Specialty Care Ad Hoc Committee through the Sacramento County Health Authority (SCHA). Sean has also chaired APG's California Medi-Cal Forum for several years, helping APG members address the operational and policy challenges facing delegated physician organizations in the Medi-Cal program. His latest initiative offers a model for other regions seeking collaborative solutions to specialty care shortages as the implementation of H.R. 1 places further pressure on Medi-Cal coverage, provider capacity, and patient access.

The SCHA formally chartered the Committee at its August 3 General Commission Meeting following a request from Vivant Health and other stakeholders to place regional specialty access on the county's agenda.

Although the immediate catalyst was a sudden loss of otolaryngology capacity, county health leaders and delegated medical groups have identified similar challenges in hand surgery, gastroenterology, urology, pulmonology, rheumatology, oncology, and cardiology. Medi-Cal participation in these specialties is often limited, capacity is concentrated among a small number of practices, and provider directories may overstate the care actually available to patients with referrals.

The Committee brings together federally qualified health centers, Medi-Cal managed care plans, IPAs and delegated medical groups, community physicians, and County Health Services in a neutral, county-convened forum. Rick Rawson has been selected to facilitate the effort, which will build upon specialty access research already underway through the National Opinion Research Center (NORC) at the University of Chicago, an independent, nonpartisan research organization. The Committee also expects to engage the region's major health systems as it develops longer-term workforce and capacity solutions.

As federal funding constraints intensify existing pressures within California's Medi-Cal system, regional collaboration will become increasingly important to preserving access to care. Sean's leadership demonstrates how APG members can bring plans, providers, county officials, and community organizations together to identify shared vulnerabilities and develop practical responses. APG members facing similar specialty access challenges may wish to consider the Sacramento initiative as a template for action in their own regions.



Immediate Member Action Requested: Join APG In Opposing AB 539

We are running this notice again because we only received 4 responses this past week. Collective advocacy is in every APG members' best interest.

APG and CAHP will oppose [AB 539](#) (Schiavo) as it moves through the final stages of the legislative session. The bill would generally extend approved prior authorizations for the prescribed course of treatment for up to one year. We expect the bill to pass the Legislature and are therefore focusing our advocacy on the Administration, including OHCA, DMHC, and the Governor's Office, with the goal of supporting a negative enrolled bill report and ultimately securing a **Governor's veto**.

We are asking APG members to act quickly. Please have your CMO prepare and sign a short letter joining [APG's opposition](#), emphasizing the **clinical risks to patients** when physician organizations are unable to

reassess ongoing treatment as a patient's condition or response to treatment changes. Use the this [template](#) to match the APG letter. Specific examples from your UM experience are helpful, but quick action is preferable. MSOs should seek separate letters from each contracted physician organization. Please send letters to wbarcellona@apg.org, and APG will bundle and distribute them through the appropriate advocacy channels.



APG Has Serious Concerns With Final Amendments To AB 280 Provider Directory Legislation

APG is reviewing final amendments to AB 280 (Aguiar-Curry), which would substantially revise California's provider directory requirements under the Knox-Keene Act. The amendments would require the Department of Managed Health Care to establish a process for designating a qualified central provider directory utility, clarify when plans must report corrected information to the utility, and eliminate a separate plan-level process for providers to report directory changes outside the required verification process.

Although the amendments improve the bill, significant concerns remain for delegated physician organizations. AB 280 could require individual providers to submit information directly to the central utility even when a medical group or IPA maintains the more authoritative provider roster.

The bill also permits plans to withhold up to 50 percent of a provider group's capitation payment for failure to respond to verification requests and may use claims or encounter activity to determine whether a provider is actively participating in a network. APG will continue to seek amendments that recognize physician organizations as authorized sources of provider information, protect compliant groups from disproportionate payment penalties, and ensure that implementation dates follow—not precede—the central utility's operational readiness.

APG welcomes member feedback on the operational effects of these requirements, including current provider-roster processes, plan verification requests, product-level network information, and the potential consequences of capitation withholding.



DHCS Schedules CY 2025 MLR Meeting for August 27: Register Today!

Important Notice:

DHCS will host an MLR stakeholder meeting

August 27 at 10:30 am.

Click [here](#) to join the meeting.

Meeting ID: 241 172 488 972 728
Passcode: bR38Gq7b



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

- December 3

California Medi- Cal Forum

4:00 - 5:00 pm

- 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

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

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