

April 23, 2024

The Honorable Buffy Wicks Chairwoman, Assembly Appropriations Committee 1021 O Stret, Suite 7140 Sacramento, CA 95814

Re: AB 3221 (Pellerin) Department of Managed Health Care: review of records - Co-Sponsor

Dear Chairwoman Wicks,

The California State Association of Psychiatrists (CSAP) is proud to support and co-sponsor AB 3221, which would increase the efficacy of the Department of Managed Health Care's (DHMC) enforcement actions.

Existing law – the Knox-Keene Health Care Service Plan Act of 1975 (the Act) – provides for the licensure and regulation of health care plans by DMHC and makes a willful violation of the Act a crime. However, several provisions of the Act are outdated, ineffective, or both, causing unnecessary and expensive delays in DMHC's taxpayer-funded oversight process.

CSAP is proud to co-sponsor AB 3221 because it would allow DMHC to request health plan records in a searchable digital format; ultimately resulting in faster receipt and review of records. Additionally, the bill allows DMHC's director to take disciplinary action when health plans fail to respond to records requests fully or in a timely manner. The bill allows DMHC to seek relief on consumers' behalf through administrative hearings rather than through the slower Superior Court hearing process currently required. Lastly, AB 3221 empowers the Department to take enforcement actions more quickly when warranted by removing the requirement for DMHC to conduct follow-up surveys of health plans within 18 months.

For these reasons, CSAP is pleased to support and co-sponsor AB 3321 and respectfully requests your aye vote on this measure.

Sincerely,

Paul Yoder

Legislative Advocate

CC: Members, Assembly Appropriations Committee
The Honorable Assemblymember Gail Pellerin