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## The Honorable Mia Bonta, Chair

California State Assembly Committee on Health Capitol Office, 1020 N Street, Suite 390 Sacramento, CA 95814

Position Letter: AB 224 (Bonta) - Support if Amended

Dear Chairwoman Bonta and Members of the California State Assembly Committee on Health,

Students for Patient Advocacy Nationwide (SPAN) supports the spirit of AB 224, which aims to modernize and expand the definition of essential health benefits (EHBs). We recognize the importance of legislation that confronts the outdated 2014 Kaiser Benchmark plan, which no longer reflects the healthcare needs of millions of Californians. A University of California, Irvine longitudinal study tracked patients within a statewide health system and found a rapid surge in GLP-1 prescriptions (Ozempic, Wegovy, Saxenda, Mounjaro, etc) from 2014 to 2022 By 2022, roughly 22,891 patients received Ozempic reflecting exponential growth in new demand, despite the rise of weight loss medicine, the current Kaiser Benchmark plan does not include any weight-loss medication in its EHBs, this being just one of many examples where California's current benchmark falls short. AB 224 represents a critical step toward aligning California's health benefits framework with the realities of modern medicine.

However, after careful review of the bill's text in its current form, we respectfully request a specific amendment that would strengthen the bill's impact and ensure it fully serves the communities it intends to protect.

We are particularly concerned about the vagueness of the phrase "the benchmark plan described in subparagraph (A)" as stated in Section 1367.005(b)(1)(B)(ii) of AB 224, which references the Kaiser 2014 benchmark plan when outlining expanded benefits contingent on federal approval of a new benchmark plan. The bill does not explicitly clarify whether these benefits apply to the existing Kaiser 2014 plan or to the new benchmark plan once approved by the Department of Health and Human Services (HHS). Without this operational clarity, insurers and regulators may interpret the law inconsistently, leading to confusion over which plan's benefits must be covered and potentially undermining the bill's intent to modernize and expand essential health benefits. Given that the Kaiser 2014 plan is outdated and does not include many of the benefits AB 224 seeks to add, it is critical that the bill precisely specify that these benefits apply exclusively to the new benchmark plan once

**approved by HHS.** Without clear language, the bill risks enabling continued reliance on the outdated plan and delaying patients' access to necessary expanded coverage.

To address these concerns, we provide the following Amendment Proposal:

We propose amending **Section 1367.005(b)(1)(B)(ii)** to clear ambiguity on which Benchmark Plan the outlined provisions would apply to.

For example:

Replace: "the benchmark plan described in subparagraph (A) shall include the following benefits..."

<u>With</u>: "the essential health benefits benchmark plan approved by the Department of Health and Human Services pursuant to California's 2025 submission shall include the following benefits..."

This amendment is necessary because without explicitly defining what constitutes the "benchmark plan described in subparagraph (A)," insurers may interpret the reference inconsistently, potentially defaulting to outdated or misaligned standards. By clarifying this clause, we preserve the spirit of the bill, that being to modernize California's insurance framework.

We believe these changes will help ensure California remains a leader and example for the entire nation, while also modernizing its insurance framework effectively. SPAN is proud to Support AB 224 **IF** it is amended to reflect the true spirit of the bill. We respectfully urge the committee to consider this change before moving the bill forward. We are happy to provide additional input or support as needed.

Sincerely,

Shayan Saqib

**HS Ambassador, SPAN** 

Vishank Panchbhavi

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