

Date of Hearing: April 29, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1949 (Lee) – As Amended April 16, 2026

Policy Committee: Health

Vote: 15 - 1

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill requires the Medi-Cal program to cover up to 24 acupuncture visits per calendar year and allows Medi-Cal to authorize additional visits based on medical necessity.

Specifically, this bill:

- 1) Requires continued coverage of acupuncture in the Medi-Cal program, even if federal matching funds are no longer available.
- 2) Changes the number of allowable services without prior authorization to 24 per year instead of the current “2-per-month” collective cap.

FISCAL EFFECT:

Costs to the Medi-Cal program of an unknown amount, potentially hundreds of thousands of dollars per year or more (General Fund (GF), federal funds (FF)).

In addition, because this bill requires Medi-Cal cover acupuncture, even if federal matching funds are unavailable, costs could be much higher if the federal government decides to stop funding this benefit. According to the May 2025 Medi-Cal Estimate, eliminating the benefit would result in savings of \$13.6 (\$5.4 million GF, \$8.2 million FF) for one-half year. Thus, maintaining the acupuncture benefit could cost the state tens of millions of dollars annually (GF).

The Legislative Analyst’s Office recently warned of GF structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

COMMENTS:

- 1) **Purpose.** This bill is sponsored by the California Acupuncture Coalition. According to the author:

Acupuncture is a crucial treatment for debilitating health conditions, and we cannot eliminate this health benefit for low-income Californians. This bill improves access to the proven benefits of acupuncture by allowing the medically necessary number of treatments per month while maintaining the overall cost controls for the benefit.

- 2) **Background.** Acupuncture services are covered in Medi-Cal to prevent, modify, or alleviate the perception of severe, persistent chronic pain resulting from a generally recognized medical condition. Outpatient acupuncture services are currently subject to a limit of two services in any one calendar month or any combination of two services per month from the following services: acupuncture, audiology, chiropractic, occupational therapy, podiatry and speech therapy. A patient may receive additional services based upon medical necessity through prior authorization. A Medi-Cal managed care plan may have a more generous coverage policy at the plans' discretion. This bill would maintain the de facto annual limit of 24 services per year for acupuncture services, while allowing for a higher intensity of acupuncture treatment than twice per month.
- 3) **Related Legislation.** SB 944 (Wiener) removes the limitation "to the extent federal matching funds are provided for acupuncture" on the coverage of acupuncture in the Medi-Cal program. SB 944 is pending on the Senate Appropriations Committee's suspense file.

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