

Date of Hearing: April 8, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2233 (Ta) – As Introduced February 19, 2026

Policy Committee: Health

Vote: 16 - 0

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

SUMMARY:

This bill prohibits a health plan or insurance policy from imposing restrictions on the utilization of authorized treatment hours for pervasive developmental disorder (PDD) or autism within a behavioral health treatment (BHT) plan's six-month authorization period.

FISCAL EFFECT:

The California Department of Insurance estimates costs of \$6,000 in fiscal year (FY) 2026-27 and \$18,000 in FY 2027-28 to review policy forms and enforce the new requirements (Insurance Fund).

The Department of Managed Health Care estimates minor and absorbable costs.

COMMENTS:

1) **Purpose.** This bill is sponsored by Autism Business Association. According to the author:

[This bill] will protect people with disabilities from losing coverage of essential treatment that has already been prescribed to them from a doctor and approved by a healthcare plan if they are unable to make it to an appointment. [This bill] will not infringe on a healthcare plan's discretion to conduct utilization reviews of the services and treatment being provided whenever appropriate. This bill simply ensures that once care is prescribed by a doctor and approved, patients are actually able to use it...When patients lose authorized hours due to inflexible utilization rules, care is disrupted, progress may be delayed or reversed, and families face unnecessary stress navigating coverage limitations unrelated to medical need ...This bill addresses a narrow but significant gap in existing law to ensure that approved care is truly available to those who need it.

2) **Background.** PDDs – now known as autism spectrum disorder (ASD) – are a group of developmental delays that affect social and communication skills. ASD is characterized by deficits in social interactions and communication, sensory processing, stereotypic (repetitive) behaviors or interests, and sometimes cognitive function. There is no cure for ASD; however, there is evidence that treatment, including BHT, may improve some symptoms.

California law requires BHT coverage and requires a qualified autism service provider to review a treatment plan no less than once every six months and modify whenever appropriate. This bill would prohibit health plans from restricting hours authorized under a BHT plan for the six-month period between reviews.

- 3) **Opposition.** The Association of California Life and Health Insurance Companies (ACLHIC) and the California Association of Health Plans (CAHP) write jointly in opposition that they have “significant concerns with removing a plan’s ability to conduct utilization management on applied behavioral analysis (ABA) therapy” and that this bill “creates a statutory ‘blind spot’ that incentivizes fraudulent billing and undermines clinical safety.” CAHP and ACLHIC argue the bill: (a) weakens program integrity protections, noting the bill would allow a provider to bill 80-100 hours in a week if a child misses therapy due to illness for several weeks; (b) interferes with “medical necessity” oversight, by requiring authorized hours to remain available regardless of a changes in a member’s condition; and (c) fails to distinguish access issues from bad actors. CAHP and ACLHIC conclude this bill “removes core utilization guardrails, creates a safe harbor for bad actors to exploit the system, accelerates already unsustainable cost trends, and undermines individualized care.”

Doogri Institute, in opposing this bill, states the bill risks perpetuating known fraud vulnerabilities in California’s BHT system by removing practical utilization constraints without sufficient safeguards.

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