

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON INSURANCE

Lisa Calderon, Chair

AB 2292 (Ward) – As Amended April 16, 2026

SUBJECT: Disability benefits: certificates

SUMMARY: Prohibits physicians and other licensed practitioners from charging administrative fees to complete forms pertaining to eligibility for paid family or medical leave. Specifically, **this bill:**

- 1) Prohibits a physician or practitioner from charging a person an administrative fee to complete a form for a certificate to establish medical eligibility for state disability insurance (SDI) benefits.
- 2) Prohibits a physician or practitioner from charging an administrative fee for a subsequent recertification examination or for completing a form required to maintain continued eligibility for SDI benefits.
- 3) Clarifies that the bill does not prohibit a physician or practitioner from billing for medical services provided in connection with an examination, or from collecting any applicable copayment, coinsurance, or deductible, if those charges are consistent with charges for a comparable medical examination or service and are not imposed solely for the completion of a certificate or form required to receive SDI benefits.

EXISTING LAW:

- 1) Establishes a SDI program administered by the Employment Development Department (EDD) for the purpose compensating for the wage loss sustained by any individual who is unable to work due to the employee's non-work-related sickness or injury, the sickness or injury of a family member, or the birth, adoption, or foster care placement of a new child, and to reduce to a minimum the suffering caused by unemployment resulting therefrom. (Unemployment Insurance (UI) Code Section 2601, *et seq.*)
- 2) Establishes the Disability Insurance (DI) Fund as a special fund in the State Treasury, separate and apart from all other public money or funds of the state, to be administered under the direction of the director of EDD exclusively for the purpose specified in 1), except as specified, and provides that SDI benefits are payable from the Disability Fund to eligible individuals. (UI Code Secs. 3001(a) & 2625)
- 3) Specifies that an individual shall be deemed disabled on any day in which, because of their physical or mental condition, the individual is unable to perform their regular or customary work. (UI Code Sec. 2626(a))
- 4) Provides that a disabled individual is eligible to receive disability benefits for each full day during which the individual is unemployed due to a disability only if:
 - The individual has made a claim for disability benefits as required by regulations.

- The individual has been unemployed and disabled for a waiting period of seven consecutive days during each disability benefit period, with respect to which waiting period no disability benefits are payable.
 - The individual has submitted to reasonable examinations as the director may require for the purpose of determining their disability.
 - The individual has filed a certificate of a treating physician or practitioner that establishes the sickness, injury, or pregnancy of the employee or their family member, as specified, establishing medical eligibility for SDI benefits. (UI Code Secs. 2627 & 2708)
- 5) Provides that statute pertaining to the SDI program shall be construed liberally in aid of its declared purpose to mitigate the evils and burdens that fall on the unemployed worker and their family. (UI Code Sec. 2601)
- 6) Establishes, within the SDI program, a family temporary disability insurance program (i.e. Paid Family Leave, or PFL), which provides up to eight weeks of wage replacement benefits to workers who take time off work to care for a seriously ill family member or other designated person with a comparable relationship, to bond with a minor child within one year of the birth or placement of the child in connection with foster care or adoption, or to participate in a qualifying exigency related to the covered active duty or call to covered active duty of the individual's spouse, domestic partner, child, or parent in the Armed Forces of the United States. (UI Code Sec. 3301(a)(1))
- 7) Pursuant to the SDI or PFL program, provides a weekly benefit amount based on the individual's wages, with a minimum weekly benefit amount of \$50 and a maximum weekly benefit amount of \$1,765. (UI Code Sec. 2655(f) & 3301)
- 8) Provides that, except as specified, an individual is not eligible for SDI benefits for any day of unemployment and disability for which the individual has received or is entitled to receive "other benefits" in the form of cash payments, including temporary disability indemnity under any workers' compensation law, temporary disability benefits under any employer's liability law, and permanent disability benefits for the same injury or illness under any workers' compensation law. (UI Code Sec. 2629)
- 9) Prohibits a health care provider from charging a fee to a patient for filling out forms or providing information responsive to forms that support a claim or appeal regarding eligibility for a public benefit program, as specified. (Health & Safety Code Sec. 123114(a) & (d))

FISCAL EFFECT: This bill has been keyed non-fiscal by Legislative Counsel.

COMMENTS:

- 1) *Purpose.* According to the author:

Californians who are temporarily unable to work due to illness, injury, pregnancy, or family leave should not face additional financial barriers when accessing SDI benefits they have contributed to. Unfortunately, some providers charge excessive administrative fees simply to complete the paperwork required to access these benefits. AB 2292

ensures that patients are not charged by their providers or practitioners for completing required SDI forms, removing an unnecessary burden during times of financial and medical hardship. This bill is about fairness, access, and protecting workers when they need support the most.

This bill is author-sponsored.

- 2) *State Disability Insurance*. If a California worker is injured on the job and unable to work, the employer is required to pay temporary total disability indemnity to compensate for lost wages. If a worker is unable to work due to an injury that was *not* occupational in origin, the SDI program provides partial wage replacement during that time.

The SDI program is funded by the proceeds of an employee payroll deduction deposited into the DI Fund. The payroll deduction and maximum benefit amount are determined annually by EDD. As of January 1, 2026, the employee payroll deduction is set at 1.3% of the employee's wages. In 2024, California removed the cap on taxable wages for SDI, meaning the 1.3% deduction is applicable to the entirety of the individual's wages.

For 2026, EDD set the maximum weekly benefit amount at \$1,765 per week. This means, depending on the claimant's typical wages, SDI can entitle the claimant to anywhere from \$50 to \$1,765 per week. In Fiscal Year (FY) 2024-25, SDI paid out over 725,000 claims, a totaling over \$11 billion in benefits paid. These claims had an average weekly benefit amount of \$879, and an average claim duration of 17.78 weeks.

In 2002, California passed SB 1661 (Kuehl, Ch. 901, Stats. 2002), which made California the first state to establish a PFL program. California's PFL program is housed within the state's SDI program, is also paid out of the DI Fund, and extends disability compensation to individuals who take time off of work to care for a seriously ill child, spouse, parent, domestic partner, or designated person, or to bond with a new minor child. In FY 2024-25, California paid out over 300,000 PFL claims, totaling over \$2 billion in benefits paid. These claims had an average weekly benefit amount of \$996, and an average claim duration of 7.1 weeks. Roughly 15% of PFL claims in FY 2024-25 were for caring for a seriously ill or disabled loved one.

In order to qualify for SDI, an individual must submit a claim to EDD, and the injured individual must undergo reasonable examinations to demonstrate disability. The individual seeking benefits must also file a certificate from a treating physician or practitioner that establishes the sickness, injury, or pregnancy of the employee or their family member, demonstrating medical eligibility.

According to the author, some SDI claimants report fees of up to \$300 for their providers to complete required claim forms, and some providers do not certify claims for extended durations, instead requiring claimants to obtain medical certifications through recurring appointments. This can result in the need to recertify SDI eligibility monthly, significantly increasing the cost of the claims process by compounding administrative fees. Generally speaking, claims forms and certificates are relatively routine for physicians and other practitioners to complete, and arguably do not warrant such exorbitant fees.

This bill seeks to prohibit the practice of charging fees for the completion of SDI claim forms and eligibility certificates, in order to mitigate the hardship endured by those who cannot work due to disability or caretaking responsibilities.

- 3) *Prohibitions on administrative fees for benefit eligibility.* Several other states have already adopted prohibitions on administrative fees for completing certification forms indicating a serious health condition for paid medical and family leave eligibility, including Connecticut (Title 31, Ch. 557, Sec. 31-49r(e)), Washington (RCW 70.02.370), and New Jersey (NJ Admin. Code 12:18-1.6).

In 2020, the California Legislature passed AB 2520 (Chiu, Ch. 101, Stats. 2020), which, among other things, added Section 123114 to the Health & Safety Code (HSC). Section 123114(a) prohibits a health care provider from charging a fee to a patient for filling out forms or providing information responsive to forms that support a claim or appeal regarding eligibility for a public benefit program. For purposes of this prohibition, Section 123114(d) defines a public benefit program to *include* the Medi-Cal program, the In-Home Supportive Services Program (IHSS), the CalWORKs program, Social Security Disability Insurance benefits (SSDI), Supplemental Security Income/State Supplementary Program for the Aged, Blind and Disabled (SSI/SSP) benefits, federal veterans service-connected compensation and nonservice connected pension disability benefits, discharge of a federal student loan based on total and permanent disability, CalFresh, the Cash Assistance Program for Aged, Blind, and Disabled Legal Immigrants (CAPI), and a government-funded housing subsidy or tenant-based housing assistance program.

It is unclear whether Section 123114 would already apply to certificates and forms supporting a claim for SDI or PFL. While SDI and PFL are not specifically listed among the many benefit programs in the operative definition for “public benefit program”, the definition indicates that “public benefit program *includes*” the listed programs. This suggests that the list is not exhaustive.

Prior to the passage of AB 2520, existing law entitled a patient to the relevant portion of the patient’s records at no charge, upon presenting proof to the provider that the records are needed to support a claim or appeal for eligibility for a public benefit program. (HSC Sec. 123110(d)) Before amendment pursuant to AB 2520, that section defined “public benefit program” to include Medi-Cal, IHSS, CalWORKs, SSDI, SSI/SSP, federal veterans service-connected compensation and nonservice connected pension disability benefits, and CalFresh. AB 2520 expanded this list to include CAPI and government-funded housing subsidy or tenant-based housing assistance programs. Notably, this expansion of enumerated benefit programs did *not* include the state’s paid family and medical leave programs (i.e. SDI and PFL).

There does not seem to be a particular policy justification for excluding SDI and PFL from the fee prohibition in Section 123114, if that is indeed the case. Assuming the fee prohibition in Section 123114 is not intended to apply to SDI and PFL, this bill would expand the prohibition to include those programs, and place that prohibition within the UI Code, where most provisions pertaining to programs administered by EDD are located. If the fee prohibition in Section 123114 *is* actually intended to include SDI and PFL eligibility forms, this bill nonetheless arguably provides necessary clarification to ensure that those seeking

state assistance during times of financial vulnerability are not subject to additional financial burdens.

4) *Pending and prior legislation.*

AB 2054 (Gipson, 2026) would expand the definition of “covered active duty” for purposes of eligibility for PFL benefits to include duty during training, domestic deployments, and, for reservists and members of the National Guard, calls to state active duty. This bill is pending hearing in the Assembly Insurance Committee.

AB 2520 (Chiu, Ch. 101, Stats. 2020) see Comment 3.

SB 1661 (Kuehl, Ch. 901, Stats. 2002) see Comment 2.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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