

CONCURRENCE IN SENATE AMENDMENTS

AB 2613 (Sharp-Collins)

As Amended August 21, 2026

Majority vote

SUMMARY

Requires a health plan to send written notice via text message or email, in addition to U.S. mail, to an affected enrollee at least 60 days before the termination date of a contract between the health plan and a provider group or a general acute care hospital, *as specified*. If, after sending the notice, the health plan reaches an agreement to continue the contract with the provider group or hospital, this bill requires the health plan to notify the *Department of Managed Health Care (DMHC) within five business days and notify the enrollee within 10 business days of DMHC approval* by U.S. mail and either text message or email.

Senate Amendments

- 1) Qualify notification of hospital contract termination to only apply if the enrollee is assigned to a provider group that has admitted at least one enrollee to the terminating hospital within the past 12 months.
- 2) Require a health plan, if they reach an agreement with a provider to renew or enter into a new contract or to not terminate their contract before the termination date, to keep the enrollee assigned to the provider they were assigned to prior to notification being sent.
- 3) Shorten timelines for DMHC and patient notification after an agreement is made with a provider.
- 4) Require electronic notification to only apply if the enrollee has opted into electronic delivery as their communication preference with the health plan and has included contact information.

COMMENTS

A block transfer occurs when a health plan moves a block of members all at once from a terminated provider group or hospital to a new one. This occurs when a contract between a health plan and the provider group or hospital is terminated or is not renewed. To ensure that enrollees aren't left without access to care upon termination, health plans are required to plan and arrange for the transfer to new providers ahead of the termination date. Current state law and regulations require health plans to submit a block transfer filing to DMHC at least 75 days before a potential contract termination date, DMHC must subsequently review impacts and notifications that will be sent out to enrollees. After DMHC's review, plans are then statutorily required to notify enrollees by mail at least 60 days prior to the termination and transfer date. If the contract with the provider is terminated, state law requires health plans to cover the completion of covered services by a terminated provider, if requested by an enrollee for the treatment of certain conditions, and if the provider and health plan agree on terms and reimbursement. Additionally, if the provider contract is reinstated the health plan must offer the enrollee the option to return.

According to the Author

Across California, patients are increasingly caught in the middle of disputes and network changes driven by large health systems and insurance company negotiations. The author continues that when contracts break down or networks shift, patients are often reassigned to new

providers with little notice. The author notes that at the same time, our notification laws remain stuck in the past. The author states that health plans continue to rely on paper mail as the primary method of communication, even as most Californians live and communicate in a digital world. The author argues that these notices are often delayed, inaccessible, or never received, leaving patients unaware of major changes until they are denied care or faced with unexpected costs. The author concludes that this bill requires automatic reinstatement of patients to their original provider when a network transition fails and modernizes notification requirements by allowing health plans to communicate through timely electronic methods, so patients receive critical information without delay.

Arguments in Support

Health Access California (HAC) supports this bill, stating that health plans continue to rely on paper mail as the primary method of communication, even while many Californians rely on digital options including email. HAC continues that for low-income patients who may move often, people with mobility issues or others with limited access to mail for differing reasons, this bill will improve their access to crucial updates from the plans and improve their access to essential care.

Arguments in Opposition

The California Association of Health Plans (CAHP) and the Association of California Life and Health Insurance Companies (ACLHIC) request an amendment to allow health plans the option of offering their enrollees an electronic delivery notification in lieu of U.S. mail, rather than both. CAHP and ACLHIC believe this bill could delay necessary reassignments because they could occur after the enrollee decides whether they would like to return to their previous provider, so they request reverting the bill back to existing law.

FISCAL COMMENTS

According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

VOTES:

ASM HEALTH: 16-0-0

YES: Bonta, Chen, Addis, Aguiar-Curry, Ahrens, Caloza, Carrillo, Mark González, Johnson, Patel, Patterson, Rogers, Sanchez, Schiavo, Sharp-Collins, Stefani

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Bauer-Kahan, Calderon, Caloza, Ellis, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 74-0-6

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Arambula, Chen, Garcia, Lackey, Ramos, Celeste Rodriguez

UPDATED

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