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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair  
2025 - 2026 Regular Session

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### AB 280 (Aguiar-Curry) - Health care coverage: provider directories

**Version:** July 15, 2025

**Urgency:** No

**Hearing Date:** August 18, 2025

**Policy Vote:** HEALTH 8 - 0

**Mandate:** Yes

**Consultant:** Agnes Lee

**Bill Summary:** AB 280 would revise and expand existing requirements for health plans and insurers to maintain accurate provider directories.

#### **Fiscal Impact:**

- Unknown ongoing costs, potentially low millions, for the Department of Managed Health Care (DMHC) for state administration (Managed Care Fund).
- Unknown ongoing costs, potentially low hundreds of thousands, for the California Department of Insurance (CDI) for state administration (Insurance Fund).
- Unknown potential cost pressures to capitation payments for Medi-Cal plans for administration (General Fund and federal funds).

**Background:** The DMHC regulates health plans under the Knox-Keene Act and the CDI regulates health and other insurers. Current law requires health plans and insurers to publish and maintain a provider directory or directories with information on contracting providers that deliver health care services to their enrollees/insureds, including those that accept new patients. These requirements also apply to DMHC-regulated health plans that have Medi-Cal managed care contracts with the DHCS. A provider directory may not list or include information on a provider that is not currently under contract with the plan/policy. Among other provisions, existing law requires health plans and insurers to:

- Make available an online provider directory or directories on the Internet Web site to the public, potential enrollees/insureds, enrollees/insureds, and providers without any restrictions or limitations.
- Include both an email address and a telephone number for members of the public and providers to notify the plan/insurer if the provider directory information appears to be inaccurate.
- Update the online provider directory or directories, at least weekly, or more frequently, if required by federal law, when informed of and upon confirmation by the plan/insurer of any of the following:
  - A contracting provider is no longer accepting new patients for that product, or an individual provider within a provider group is no longer accepting new patients.

- A provider is no longer under contract for a particular product.
  - A provider's practice location or other information required, as specified, has changed.
  - Upon completion of an investigation, a change is necessary based on an enrollee/insured complaint that a provider was not accepting new patients, was otherwise not available, or whose contact information was listed incorrectly.
  - Any other information that affects the content or accuracy of the provider directory or directories.
- Take appropriate steps to ensure the accuracy of the information concerning each provider listed in the plan's/insurer's provider directory or directories and, at least annually, review and update the entire provider directory or directories for each product offered.

Current law authorizes DMHC and CDI, in circumstances where the department finds that an enrollee/insured reasonably relied upon materially inaccurate, incomplete, or misleading information contained in a health plan's/insurer's provider directory or directories, to require the health plan/insurer to provide coverage for all covered health care services provided to the enrollee/insured and to reimburse the enrollee/insured for any amount beyond what the enrollee/insured would have paid, had the services been delivered by an in-network provider.

**Proposed Law:** Specific provisions of the bill would:

- Authorize DMHC and CDI to establish a methodology and processes to ensure accuracy of provider directories and consistency with other state or federal laws, regulations, or standards; and require the departments to take into account existing methods, including surveys, plan-reported information, and benchmarks or submission information from a central utility by another entity.
- Authorize DMHC and CDI to require a health plan/insurer to use or designate a central utility or central utilities for those providers included in the directory, as specified.
- Require that for health plans (except Medi-Cal managed care plans) and insurers:
  - On July 1, 2026, directories must be at least 60 percent accurate.
  - On or before July 1, 2027, directories must be at least 80 percent accurate.
  - On or before July 1, 2028, directories must be at least 90 percent accurate.
  - On or before July 1, 2029, directories must be at least 95 percent accurate.
- Require that failure by a health plan (except a Medi-Cal managed care plan) or insurer to comply with specified provisions, including failure to meet the required benchmarks for accuracy, would result in an administrative penalty, as specified.

- Require, rather than authorize DMHC and CDI to require, health plans and insurers to provide coverage and limit enrollee/insured cost-sharing, as specified, in circumstances when an enrollee/insured relied upon inaccurate provider directories.

**Related Legislation:**

AB 787 (Papan) would require health plans and insurers to provide assistance to enrollees and insureds in finding an in-network provider, as specified. The bill is currently on the suspense file in this committee.

AB 236 (Holden, 2023) would have revised and expanded existing requirements for health plans and insurers to maintain accurate provider directories. The bill was held on the suspense file in this committee.

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