Office of Senate Floor Analyses
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THIRD READING

Bill No: AB 350
Author: Bonta (D), et al.
Amended: 7/7/25 in Senate
Vote: 21

SENATE HEALTH COMMITTEE: 11-0, 7/2/25
AYES: Menjivar, Valladares, Durazo, Gonzalez, Grove, Limón, Padilla, Richardson, Rubio, Weber Pierson, Wiener

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/29/25
AYES: Caballero, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 75-1, 6/2/25 - See last page for vote

SUBJECT: Health care coverage: fluoride treatments

SOURCE: Children Now (co-source)
California Dental Association (co-source)

DIGEST: This bill requires a health plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2026, to provide coverage for the application of fluoride varnish in the primary care setting for children under 21 years of age, without a deductible, co-insurance, copayment or other cost-sharing requirement for that coverage. Clarifies that Medi-Cal coverage of fluoride treatment is for children under 21 years of age rather than 17 years of age and specifies that this coverage includes the application of fluoride varnish in the primary care setting and expands which staff may apply the fluoride varnish, as specified.

ANALYSIS:

Existing law:

1) Establishes the Department of Managed Health Care (DMHC) to regulate health plans under the Knox-Keene Health Care Services Plan Act of 1975; the California Department of Insurance (CDI) to regulate health and other insurers; the Department of Health Care Services (DHCS) to administer the Medi-Cal program. [Health and Safety Code [HSC] §1340, et seq., Insurance Code [INS] §106, et seq. and Welfare and Institutions Code [WIC] §14000, et seq.]

2) Requires, under the Affordable Care Act (ACA) and as codified in state law, health plans and issuers, subject to the minimum interval established by the United States Secretary Health and Human Services (Secretary), to provide coverage, and not impose cost sharing requirements, for the following preventive services with respect to plan years beginning on and after September 23, 2010:

   a) Evidence-based items or services that have in effect a rating of `A' or `B' in the current recommendations of the United States Preventive Services Task Force (USPSTF), with specified exceptions;
   b) Immunizations that have in effect a recommendation from the Advisory Committee on Immunization Practices (ACIP) of the Centers for Disease Control and Prevention (CDC) with respect to the individual involved;
   c) Evidence-informed preventive care and screenings for infants, children, and adolescents, provided for in the comprehensive guidelines supported by the Health Resources and Services Administration (HRSA);
   d) Additional preventive care and screenings for women not otherwise described above as provided for in comprehensive guidelines supported by HRSA, as specified; and,
   e) Current recommendations of the USPSTF regarding breast cancer screening, mammography, and prevention. [Title 42 United States Code [U.S.C.] Sec. 300gg-13, HSC §1367.002 and INS §10112.2]

3) States that 2) above, does not prohibit a health plan contract or insurance policy from providing coverage for services in addition to those recommended by USPSTF or denying coverage for services that are not recommended by USPSTF. [HSC §1367.002 and INS §10112.2]

4) Establishes a schedule of benefits under the Medi-Cal program, which includes benefits required under federal law and benefits provided at the state's option, both of which are funded with federal and state dollars. The scope of benefits includes the application of fluoride, or other appropriate fluoride treatment, as defined by DHCS, for children under age 17. [WIC §14132]

5) Requires, under federal law, coverage for individuals under age 21 of all necessary health care, diagnostic services, treatment, and other measures to correct or ameliorate defects and physical and mental illnesses and conditions discovered by the screening services, whether or not such services are covered under the State plan, known as the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit, and codifies this benefit in state law. [42 USC §1396d and WIC §14059.5]

6) Further specifies that EPSDT services also include all age-specific assessments and services listed under the most current periodicity schedule by the American Academy of Pediatrics and Bright Futures, and any other medically necessary assessments and services that exceed those listed. [WIC §14149.95]

7) Requires DHCS to establish a list of performance measures designed to evaluate utilization, access, availability, and effectiveness of preventive care and treatment to ensure the dental fee-for-service program meets quality and access criteria. Includes in the list of required performance measures the number of applications of fluoride varnishes. [WIC §14132.915]

8) Authorizes any person to apply topical fluoride, including fluoride varnish, to the teeth of individuals who are being served in a public health setting or public health program according to the prescription and protocol issues and established by a physician or dentist. [HSC §104762]

9) Requires pupils of public and private elementary and secondary schools to be given the opportunity to receive the topical application of fluoride, including fluoride varnish in a manner approved by the Department of Public Health. Requires the program of topical application to be under the general direction of a dentist licensed in the state, according to the prescription and protocol established by the dentist, and applied through self-application or by another person. [HSC §104830]

This bill:

1) Requires a health plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2026, to provide coverage for the application of fluoride varnish in the primary care setting for children under 21 years of age, to be billed as a medical benefit and to not impose a deductible, co-insurance, copayment or other cost-sharing requirement for that coverage.

2) Exempts from 1), specialized health plan contracts and health insurance policies or a Medicare supplement policy.

3) Specifies that this bill does not diminish a health plan or insurer's responsibility under the ACA to cover services that are assigned either a grade A or B by the USPSTF.

4) Clarifies that Medi-Cal coverage of fluoride treatment is covered for children under 21 years of age and specifies that this coverage includes the application of fluoride varnish in the primary care setting, billed as a medical benefit.

5) Requires DHCS to establish and promulgate a billing policy that allows a Medi-Cal enrolled provider who is authorized to apply and bill for the application of fluoride varnish to be reimbursed for that service if the fluoride varnish is physically applied by a person who is employed by the Medi-Cal enrolled provider, working in a contractual relationship with that provider, or otherwise authorized under existing law to apply fluoride varnish.

Comments

According to the author of this bill:

> Fluoride varnish is a safe, inexpensive, and effective dental intervention that can help prevent tooth decay. However, current Medi-Cal policies are unnecessarily restrictive. First, although many types of non-clinical staff can be authorized to apply fluoride varnish, Medi-Cal policy requires a qualified health professional to "hold the brush" when applying fluoride varnish, making it more difficult and costly to incorporate into primary care and public health settings. Medi-Cal policy guidance is also unclear that medically necessary fluoride varnish in the primary care setting is currently covered by Medi-Cal for all children under 21, under federal EPSDT requirements. In addition, commercial insurance only covers fluoride varnish in the primary care setting for children under the age of five, which leaves out other children who could benefit from this preventive intervention. This bill will enhance coverage of fluoride varnish in the primary care setting and makes it easier for dental, medical, and school-based care providers to bill Medi-Cal for fluoride varnish. In an era where settled science on the effectiveness and safety of fluoride is being questioned, California should expand this cost-effective intervention to prevent cavities and promote good oral health for our children.

Background

Dental caries and children's health. According to a June 2021 report by the California Department of Public Health, of the oral health status up children describing results from a 2018-2019 survey of third grade students, 61% of California children in third grade had experienced dental caries, compared to the national median of 53% among all states. The study also found that 21% had untreated decay. For Latinos, the rate of caries experience was 72% and nearly 25% had untreated decay. These numbers were very similar to the number of socioeconomically disadvantaged students with caries experience or untreated tooth decay (73% and 26% respectively).

California Health Benefits Review Program (CHBRP) analysis. AB 1996 (Thomson, Chapter 795, Statutes of 2002) requests the University of California to assess legislation proposing a mandated benefit or service and prepare a written analysis with relevant data on the medical, economic, and public health impacts of proposed health plan and health insurance benefit mandate legislation. CHBRP was created in response to AB 1996, and reviewed this bill. Key findings include:

a) *Coverage impacts and enrollees covered*. CHBRP assumed that 100% of health plan enrollees have coverage for fluoride varnish when applied in a primary care setting for enrollees aged 0 to 5 years in accordance with state and federal law. For enrollees aged 6-20, approximately 1.5% of commercial enrollees and 17% of Medi-Cal beneficiaries have coverage in medical settings (rather than a dentist office) at baseline. This bill would provide coverage for the varnish for all enrollees age 20 years and younger in medical settings.
b) *Medical effectiveness.* Overall, CHBRP found evidence that fluoride varnish is effective in the prevention of tooth decay and dental caries, primarily in younger children, in both medical and other clinical settings. The evidence was stronger for primary teeth than permanent teeth in medical settings, but in other clinical settings there was strong evidence for all children under 18 that the application of fluoride varnish is effective in improving oral health outcomes. It should be noted that CHBRP did not identify studies for children over 18 and that there was very limited research on the application of the varnish in medical settings on permanent teeth, thus the absence of evidence is not evidence of no effect.
c) *Utilization*. CHBRP assumes utilization of fluoride varnish among commercial and Medi-Cal enrollees aged 0 to 5 years would not increase because this service is fully covered at baseline. There are approximately 16,600 applications among commercial enrollees aged 0 to 5 years and

115,500 applications among Medi-Cal beneficiaries aged 0 to 5 years at baseline. CHBRP estimates an increase of 27,100 applications for commercial enrollees aged 6 to 20 years over the current 700 applications and an increase of 112,800 applications for Medi-Cal enrollees over the current 9,000 applications.

d) *Medi-Cal.* According to CHBRP, fluoride treatments are covered under the Medi-Cal dental program for enrollees aged 20 and younger when provided by dental professionals, thus there is no change in benefit coverage when provided in that setting. They also flag that existing law requires coverage up through age 17. CHBRP also points to a national benchmark adopted by DHCS that establishes a minimum performance target level of 19.3% for Medi-Cal beneficiaries aged 1-20 years old to have at least two topical fluoride applications annually. In 2022, 16.17% had at least two applications of fluoride varnish annually.
e) *Impact on expenditures*. Within DMHC-regulated commercial plans and CDI-regulated commercial policies, premiums would increase by $653,000. This would be between 0.0007% and 0.0009% per member per month or between $0.006 and $0.007 per member per month. For Medi-Cal beneficiaries enrolled in DMHC-regulated plans and County Organized Health Systems (COHS), premiums would increase by $2,249,000. This would be less than 0.01% or $0.02 per member per month.
f) *Public health.* CHBRP projects a very limited public health impact on the overall incidence of dental caries and loss of tooth enamel in the first year post mandate, largely because cavities generally take one to two years to develop. Assuming enrollees continue to receive fluoride varnish in a medical setting annually, this bill could potentially result in a reduction of 5,800 cavities among the 27,100 new users aged 6 to 20 years with commercial coverage and a reduction of 24,200 cavities among the 112,800 new users aged 6 to 20 years with Medi-Cal. This could be increased or decreased by other public health factors such as community water fluoridation.
g) *Essential health benefits*. CHBRP states that this bill would not exceed the definition of Essential Health Benefits in California because it would expand an existing benefit requirement rather than create a new coverage requirement. This means that the state would not be responsible for covering the cost of the benefit in the commercial market under the ACA rules.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee, the bill would have the following fiscal impact:

- DHCS estimates the following costs:
    - Ongoing costs of $156,000 ($78,000 General Fund and $78,000 federal funds) in 2025-26 and $147,000 ($74,000 General Fund and $73,000 federal funds) in 2027-28 and annually thereafter for state operations to create new policies and billing guidelines to expand fluoride varnish coverage to include a broader range of providers who may apply fluoride varnish in primary care and public health settings.
    - Indeterminate costs due to increased utilization of services. The fiscal impact to the Medi-Cal program is indeterminable as there are no active medical billing codes for the application of fluoride varnish and supplementation for members 6 to 20 years of age in the primary care setting. Additionally, it is difficult to determine the utilization rate for this new benefit being performed in a primary care setting, particularly since this is a covered Medi-Cal benefit in dental settings. For the application of topical fluoride varnish for children 0 to 5 years of age, the Medi-Cal program typically reimburses at $18 per application in the primary care setting. As of December 2024, there were approximately 4.1 million Medi-Cal members ages 6 to 20 years. If five percent (206,250) of them received one fluoride varnish in the primary care setting per year and DHCS paid $18 per application, DHCS estimates the annual, ongoing cost at approximately $3.7 million ($1.85 million General Fund and $1.85 million federal funds).
- DMHC estimates minor and absorbable costs.
- CDI estimates costs of $3,000 in 2025-26 and $16,000 in 2026-27 for state administration (Insurance Fund).
- Unknown ongoing General Fund costs, potentially low tens of thousands, due to increases in CalPERS plan premiums.

SUPPORT: (Verified 8/29/25)

Children Now (co-source)
California Dental Association (co-source)
American Academy of Pediatrics, California
Asian Resources, Inc.

Association of Regional Center Agencies
California Academy of General Dentistry
California Academy of Family Physicians
California Association of Orthodontists
California Dental Hygienists' Association
California Neurology Society
California Pan-Ethnic Health Network
California School- Based Health Alliance
California Society of Pediatric Dentistry
California State PTA
Care2u Oral Care Administrative Services
Center for Oral Health
Children's Choice Dental Care
County of Alameda
County of Los Angeles
County of Sacramento
Delta Dental of California
Dental Board of California
Dental Hygiene Board of California
Dientes Community Dental Care
EveryChild Foundation
First 5 Alameda County
First 5 Monterey County
First 5 Nevada County
First 5 San Bernardino County
LA Best Babies Network
Latino Coalition for a Healthy California
North East Medical Services
State Council on Developmental Disabilities
The Los Angeles Trust for Children's Health
Western Center on Law & Poverty
Women Lawyers of Sacramento

OPPOSITION: (Verified 8/29/25)

Association of California Life & Health Insurance Companies
California Association of Health Plans
One individual

ARGUMENTS IN SUPPORT: Co-sponsors, Children Now and the California Dental Association write that cavities are the most common chronic, yet largely

preventable condition experienced by children. Untreated cavities can cause pain and infections that may lead to problems with eating, speaking, playing and learning. Research shows that children with poor oral health status were nearly three times more likely than other students to miss school as a result of dental pain and were more likely to perform poorly in school. Unfortunately, in California, less than half of children in the Medi-Cal program have annual dental visits where topical fluoride varnish could be applied. Primary care and public health settings such as schools offer additional access points for the application of fluoride varnish for children enrolled in Medi-Cal. They are also concerned about recent statements from the federal administration that threaten community water fluoridation, which the United States Centers for Disease Control and Prevention has previously named as one of the 10 greatest public health interventions in the 20th century because of the dramatic decline in cavities since such fluoridation began in 1945.

ARGUMENTS IN OPPOSITION: The California Association of Health Plans (CAHP) and the Association of California Life and Health Insurance Companies (ACLHIC) write that this bill exceeds the current guidelines that mandate coverage of fluoride varnish for children ages 0-5. It would also increase total premiums paid by employers and enrollees for newly covered benefits by $3,242,000. Given the current uncertainty regarding the Medi-Cal budget as well as the uncertainty pertaining to future funding from the federal government, they are fundamentally opposed to legislation that could further increase premium costs for families. They argue that focusing on updating the Essential Health Benefits allows for a more comprehensive and thoughtful approach when determining benefits while California continues to grapple with rising health care costs and budget shortfalls.

ASSEMBLY FLOOR: 75-1, 6/2/25
AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NOES: DeMaio
NO VOTE RECORDED: Bennett, Sanchez, Tangipa

Prepared by: Jen Flory / HEALTH / (916) 651-4111
8/29/25 20:33:27

****** END ******