
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 1049 (Weber Pierson) - Health care claims reimbursement

Version: April 6, 2026

Urgency: No

Hearing Date: April 13, 2026

Policy Vote: HEALTH 8 - 1

Mandate: Yes

Consultant: Agnes Lee

Bill Summary: SB 1049 would provide a 90-day opportunity for a health care provider to submit a corrected claim if a health plan or insurer denies a claim or sends a notice of overpayment based on a defect that may be remedied by submitting a corrected claim.

Fiscal Impact:

- The Department of Managed Health Care (DMHC) estimates costs of approximately \$271,000 in 2026-27, \$281,000 in 2027-28, and \$273,000 in 2028-29 and annually thereafter for state administration (Managed Care Fund).
- The California Department of Insurance (CDI) indicates no fiscal impact for state administration.

Background: The DMHC regulates health plans under the Knox-Keene Act and the CDI regulates health insurance. Current law requires health plans and insurers to reimburse a completed claim within 30 calendar days after receipt, and to notify a claimant, in writing, that the claim is contested or denied, no later than 30 calendar days after receipt of the claim. A claim is reasonably contested if the plan/insurer has not received the completed claim and all information necessary to determine payer liability or the plan/insurer has not been granted reasonable access to information concerning provider services. Current law also requires an institutional or professional provider to reimburse a plan/insurer for overpayment within 30 working days from receiving a notice of overpayment and the amount of overpayment unless the overpayment is contested by the provider.

Proposed Law: SB 1049 would provide that if a health plan/insurer denies a claim or sends a notice of overpayment for a claim based in whole or in part on a defect that may be remedied by submitting a corrected claim, the provider must have 90 days from the plan's/insurer's most recent action to submit a corrected claim.

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