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**SB-1320 Mental health and substance use disorder treatment.** (2023-2024)

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**Senate Bill No. 1320**

**CHAPTER 135**

An act to add Section 1374.725 to the Health and Safety Code, and to add Section 10144.58 to the Insurance Code, relating to health care coverage.

[ Approved by Governor July 15, 2024. Filed with Secretary of State July 15, 2024. ]

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1320, Wahab. Mental health and substance use disorder treatment.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of disability insurers by the Department of Insurance. Existing law requires a health care service plan contract or disability insurance policy issued, amended, or renewed on or after January 1, 2021, to provide coverage for medically necessary treatment of mental health and substance use disorders, as defined, under the same terms and conditions applied to other medical conditions.

This bill would require a plan or insurer subject to the above-described coverage requirement, and its delegates, to establish a process to reimburse providers for mental health and substance use disorder treatment services that are integrated with primary care services and provided under a contract or policy issued, amended, or renewed on or after July 1, 2025. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

**THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:**

**SECTION 1.** Section 1374.725 is added to the Health and Safety Code, to read:

**1374.725.** For services provided to an enrollee under a health care service plan contract issued, amended, or renewed on or after July 1, 2025, a health care service plan subject to Section 1374.72, and its delegates, shall establish a process to reimburse providers for mental health and substance use disorder treatment services that are integrated with primary care services. A process required under this section may be based upon federal rules or guidance issued for the Medicare program.

**SEC. 2.** Section 10144.58 is added to the Insurance Code, to read:

**10144.58.** For services provided to an insured under a disability insurance policy issued, amended, or renewed on or after July 1, 2025, a disability insurer subject to Section 10144.5, and its delegates, shall establish a process to reimburse providers for mental health and substance use disorder treatment services that are integrated with primary care services. A process required under this section may be based upon federal rules or guidance issued for the Medicare program.

**SEC. 3.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.