



# CAHP LEGISLATIVE INFORMATION

## AB 2581 (Salas) Chapter 533, Statutes of 2022

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### **HEALTH CARE COVERAGE: MENTAL HEALTH AND SUBSTANCE USE DISORDERS: PROVIDER CREDENTIALS**

#### **BACKGROUND**

AB 2581 was introduced by Assemblymember Rudy Salas (D-Bakersfield) relating to provider credentialing timelines. This bill requires health plans that provide coverage for mental health and substance use and credentials health care providers for those services to assess and verify the qualifications of the provider within 60 days after receiving the completed provider application. Additionally, the bill requires the health plan, upon receipt of the application by the credentialing department, to notify the applicant within 7 business days to verify the receipt of the application and inform the applicant whether the application is complete. The bill was sponsored by the Center for Autism and Related Disorders (CARD) and was supported by several other mental health advocacy organizations.

CAHP has some concerns with the bill as introduced. We worked with the author's office and sponsors soon after the bill's introduction to provide several amendments to address some of our concerns. The author and sponsors accepted our amendments to the bill before it's first policy committee hearing, and as such, CAHP never took a formal position on this bill.

The bill passed out of the Legislature on a bi-partisan vote. The Governor signed AB 2581 on September 25, 2022.

#### **REQUIREMENTS**

AB 2581 adds Section 1374.197 to the Health and Safety Code, and adds Section 10144.56 to the Insurance Code, relating to health care coverage.

Specifically, AB 2581 does the following:

- 1) Requires, for provider contracts issued, amended, or renewed on and after January 1, 2023, a health plan or health insurer that provides coverage for mental health, and substance use disorders and that credentials health care providers of those services for its networks, to assess

and verify the qualifications of a health care provider within 60 days after receiving a completed provider credentialing application.

- 2) Requires, upon receipt of the application by the credentialing department, the health plan or insurer to notify the applicant within seven business days, to verify receipt, and inform the applicant whether the application is complete. Requires the 60-day timeline to apply only to the credentialing process and does not include contracting completion.
- 3) Requires, for the purposes of this bill, “mental health and substance use disorder” and “health care provider” to have the same meanings as defined in existing law.