



## OFFICE OF THE GOVERNOR

OCT 07 2023

To the Members of the California State Assembly:

I am returning Assembly Bill 1060 without my signature.

This bill would require health plans to cover prescription and over the counter naloxone and all other U.S. Food and Drug Administration (FDA) approved drugs for opioid overdose reversal, with a maximum of \$10 cost sharing.

Combating the opioid crisis is one of my top priorities. I appreciate the author's shared commitment to this critical public health and public safety imperative. Together with the Legislature, we have invested more than \$1 billion to combat overdoses, support those with opioid use disorder, raise awareness, and crack down on trafficking. Further, the 2023 Budget Act included \$30 million for the CalRx Naloxone Access Initiative, to support partners in developing, manufacturing, procuring, and distributing a low-cost naloxone nasal product.

While I support providing access to opioid antagonists to individuals with opioid use disorder or other risk factors, this bill would exceed the state's set of essential health benefits, which are established by the state's benchmark plan under the provisions of the federal Affordable Care Act (ACA). As such, this bill's mandate would require the state to defray the costs of coverage in Covered California. This would not only increase ongoing state General Fund costs, but it would set a new precedent by adding requirements that exceed the benchmark plan. A pattern of new coverage mandate bills like this could open the state to millions to billions of dollars in new costs to cover services relating to other health conditions. This creates uncertainty for our healthcare system's affordability.

For these reasons, I cannot sign this bill.



Sincerely,



Gavin Newsom