



OFFICE OF THE GOVERNOR

OCT 08 2023

To the Members of the California State Assembly:

I am returning Assembly Bill 1213 without my signature.

This bill would provide, until January 1, 2027, that when a utilization review (UR) denial of treatment is overturned by independent medical review (IMR) or by the Workers' Compensation Appeals Board, any temporary disability (TD) payments received during this period would not be included in the maximum aggregate calculation of TD payments.

While I understand the goal of the author and sponsor, there is a lack of data to support such a change. Under the existing workers' compensation system, employers are required to establish a UR process to evaluate the necessity and appropriateness of requested medical treatments. This process is in place to ensure that employees receive the appropriate evidence-based medical care.

Realigning incentives is an important policy tool to deliver on our shared goal of returning injured workers back to work. Such realignment should be done cautiously to avoid further friction in the system that frustrates the objective of providing timely treatment, prompt payment of benefits and returning injured workers back to work. Unfortunately, this bill does not strike the right balance.

For these reasons, I cannot sign this bill.

Sincerely,


Gavin Newsom

