

OFFICE OF THE GOVERNOR

OCT 0 7 2023

To the Members of the California State Assembly:

I am returning Assembly Bill 1451 without my signature.

This bill would require health plans to cover treatment for urgent and emergency mental health and substance use disorders without prior authorization, upon appropriation by the Legislature for administrative costs.

I share the author's concern regarding the importance of accessible behavioral health services statewide, as evidenced by the billions of dollars we have invested to enhance access to timely and necessary behavioral health care, as well as the programs and reforms implemented to improve our delivery system. Existing law already prohibits prior authorization for emergency care, and requires mental health and substance use disorder services to meet timely access standards. The requirements in this bill would result in significant costs in the tens of millions of dollars, to the state General Fund and to consumers through health plan premium increases. These impacts should be considered as part of the annual budget process.

In partnership with the Legislature, we enacted a budget that closed a shortfall of more than \$30 billion through balanced solutions that avoided deep program cuts and protected education, health care, climate, public safety, and social service programs that are relied on by millions of Californians. This year, however, the Legislature sent me bills outside of this budget process that, if all enacted, would add nearly \$19 billion of unaccounted costs in the budget, of which \$11 billion would be ongoing.

With our state facing continuing economic risk and revenue uncertainty, it is important to remain disciplined when considering bills with significant fiscal implications, such as this measure.

For these reasons, I cannot sign this bill.

Sincerely

Gavin Newsom