



## OFFICE OF THE GOVERNOR

SEP 22 2024

To the Members of the California State Senate:

I am returning Senate Bill 1369 without my signature.

This bill would require dental plans to default to a non-fee-based method of payment to providers, and to remit with each payment the associated claims and claim details, beginning April 1, 2025.

Currently, a dental provider and a plan determine the method of reimbursement during contract negotiations. A provider may opt into direct payments or payments through a contracted vendor. While I appreciate the author's intent to increase dental providers' reimbursements through changing the default payment method, this should be addressed during contract negotiations.

For this reason, I cannot sign this bill.

Sincerely,

Gavin Newsom

