

## California Redefines Approach to Preventive Care Standards

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California has enacted legislation allowing the state to set its own standards for preventive care required to be provided at no cost by fully insured health plans. The new law adopts the federal recommendations for preventive care and immunization coverage as they existed on January 1, 2025, as a baseline, and authorizes the state to modify or supplement these guidelines in the future. The new state law does not apply to self-funded plans governed by ERISA.

### ■ Background

Under the Patient Protection and Affordable Care Act (“ACA”), non-grandfathered group health plans must provide coverage for in-network preventive items and services and may not impose any cost-sharing requirements (such as a copayment, coinsurance, or deductible) with respect to those items or services. Specifically, the following must be covered as preventive:

- Evidence-based items or services that have in effect a rating of “A” or “B” in the current recommendations of the United States Preventive Services Task Force (“USPSTF”);
- Immunizations for routine use in children, adolescents, and adults that have in effect a recommendation from the Advisory Committee on Immunization Practices (“ACIP”) of the Centers for Disease Control and Prevention (“CDC”);
- With respect to infants, children, and adolescents, evidence-informed preventive care and screenings provided for in the comprehensive guidelines supported by the Health Resources and Services Administration (“HRSA”); and
- With respect to women, preventive care and screening provided for in comprehensive guidelines supported by HRSA, to the extent not already included in certain recommendations of the USPSTF.

Previously, California’s health insurance preventive care mandates were tied to these federal preventive care guidelines.

### ■ New State Legal Framework

California Governor Gavin Newsom signed Assembly Bill 144 (“AB 144”) into law on September 17, 2025, effective immediately. The law was intended to preserve health care coverage of preventive services and vaccines for California residents, regardless of any rollback in federal policy.

To accomplish this, AB 144 codifies the federal recommendations for preventive care and immunization coverage in effect on January 1, 2025 (before the current administration took office), and allows the California Department of Public Health (“CDPH”) to supplement those recommendations.

Specifically, AB 144:

- Establishes the list of preventive services, items, and immunizations recommended as of January 1, 2025, by USPSTF, ACIP, and HRSA as the baseline recommendations for California.
- Authorizes the CDPH to modify or supplement the baseline recommendations, taking into consideration guidance and recommendations from additional medical and scientific organizations, including, but not limited to, the American Academy of Pediatrics, the American College of Obstetricians and Gynecologists, and the American Academy of Family Physicians.
- Authorizes CDPH to incorporate subsequent evidence-based recommendations from USPSTF, ACIP, or HRSA, to the extent the department determines them to promote public health.
- Requires CDPH to publish the baseline recommendations, including any modification or supplement, and that any updates, modifications, or supplements are deemed effective on the date of publication.
- Replaces references to USPSTF, ACIP, or HRSA for coverage of preventive services and items, and for the administration of vaccines by various health professionals and other personnel and entities, with references to these federal recommendations as they existed on January 1, 2025, as modified or supplemented by CDPH pursuant to its authority under the baseline recommendations.

On September 18, 2025, the California Department of Managed Health Care (“DMHC”) issued All Plan Letter 25-015 providing information and guidance to health care plans on the protections enacted under AB 144.

## ■ Application of California Insurance Law to Group Health Plans

The California insurance law requirements set forth above generally apply to:

- Group health insurance policies issued or delivered (i.e., situated) in California.
- HMOs in California.
- Group health insurance policies issued or delivered (i.e., situated) outside of California, to the extent that the policy covers California residents; but not if (a) the employer’s principal place of business is located outside of California, and (b) a majority of employees are located outside of California.

In addition, the California law does not apply to self-funded group health plans governed by ERISA.

## ■ Employer Action

Carriers are generally responsible for complying with preventive service coverage requirements and making updates as needed. Plan sponsors should not need to take any action at this time. However, sponsors of plans with employees in multiple states should be aware that the preventive coverage requirements under a fully insured plan in California may differ from federal guidelines or the coverage requirements in other states.