

# Update on SB 510 Lawsuit

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# Overview of SB 510 (Pan)

- SB 510 requires plans to cover COVID-19 testing and vaccine administration (collectively, "COVID-19 services") retroactively to the beginning of the pandemic.
- Financial risk for COVID-19 services remains with the plan unless specifically delegated to the provider.

# Overview of CAHP's Lawsuit

- Filed in November 2021 by the California Association of Health Plans (CAHP).
- Challenges retroactive (pre-2022) application of SB 510's requirement that financial risk remain with the plan unless expressly delegated to the provider.
- Does not challenge the health plans' obligations to cover COVID-19 services.

# Lawsuit Status

- America's Physician Groups (APG) intervened in June 2022.
- Court issued preliminary injunction in June 2022.
  - Temporarily prohibits enforcement of that portion of SB 510 concerning retroactive payments to providers related to COVID-19 testing.
- Trial scheduled for January 2023.

# Questions