



Protecting Access to Mental Health and Substance Use Disorder Care

Summary

This bill codifies the 2024 federal Mental Health Parity and Addiction Equity Act (MHPAEA) Final Rule into California state law to ensure that Californians retain strong, enforceable mental health and substance use disorder (MH/SUD) parity protections—regardless of changes at the federal level.

Just as California acted during the first Trump administration to codify key provisions of the Affordable Care Act, this bill takes a proactive step to Trump-proof federal parity rules and preserve access to care for millions of Californians.

What Problem Does This Bill Address?

Although mental health parity has been federal law since 2008, enforcement has historically been inconsistent—particularly with respect to prior authorization, medical necessity standards, network adequacy, and reimbursement practices.

In response, federal regulators issued final MHPAEA regulations in 2024 that clarified how parity compliance must be demonstrated—both on paper and in practice—to strengthen transparency and accountability requirements. In 2025, the Trump Administration said it would [no longer enforce these regulations](#).

What Does the Bill Do?

This bill codifies the 2024 federal MHPAEA Final Rule into California law, ensuring parity protection if federal rules

are weakened, repealed, or invalidated. In doing so, it maintains the Department of Managed Health Care (DMHC) and the California Department of Insurance (CDI)'s existing enforcement authority and ensures that long-standing enforcement tools remain fully operative under state law.

While existing state law already requires enforcement of MHPAEA and associated rules, if those rules are rescinded so will state regulators' authority to enforce these rules unless the state takes action now.

What this Bill Does Not Do

This bill does not expand covered benefits, create new mandates, or impose new duties on state regulators. It codifies standards already being enforced by regulators today.

- ✗ Does not create new benefit mandates
- ✗ Does not require new rulemaking or enforcement programs
- ✗ Does not expand regulatory authority beyond existing law
- ✗ Does not increase costs or administrative burden for state departments
- ✗ Does not alter or expand regulators' authority beyond what already exists under California law

Why Codification Matters

Federal parity regulations establish a floor, not a ceiling, for consumer protections. States have clear authority to

codify and strengthen these standards, and many are already doing so using the 2024 rule as a gold standard. In 2025, Colorado enacted legislation to codify federal parity standards into state law, underscoring a broader state-led movement to protect access to MH/SUD care.

California has already enacted the nation's strongest state MH/SUD protections through laws such as [SB 855 \(Wiener, Stats. 2020\)](#). This bill reinforces those protections by anchoring clear, enforceable parity standards in state law and supporting consistent regulatory oversight.

By embedding these protections in statute, California ensures stability for regulators, health plans, providers, and consumers; continued access to MH/SUD care during federal transitions; and clear, enforceable standards that reduce litigation uncertainty.

Support

- California Department of Insurance, Insurance Commissioner Ricardo Lara (Sponsor)
- The Kennedy Forum (Sponsor)
- The Steinberg Institute (Sponsor)

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