Updated June 30, 2026

SB 729 – Coverage of Fertility and Infertility Services
External FAQs

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General

1. **What is SB 729?**
   SB 729 expands access to fertility coverage for Fully-Insured employer groups in the Small and Large Group Lines of Business.

   It requires Large Group plans to provide coverage for the diagnosis and treatment of infertility and fertility services, including covering three completed oocyte retrievals and unlimited embryo transfers, and requires Small Group plans to offer coverage for the diagnosis and treatment of infertility and fertility services for plans issued or renewed on or after the effective date.

2. **What does the All Plan Letter (APL) 25-021 entail?**
   The APL 25-021 provides regulatory guidance to health plans on how to implement the requirements of SB 729 in 2026. This includes clarification on certain definitions, additional guidance on implementing coverage requirements, and information on filing requirements to the regulators for coverage and benefits. Please note: The DMHC provided the APL 25-021 in February 2026, and we expect the DMHC to issue another APL clarifying some requirements during summer of 2026. Blue Shield is closely monitoring the situation, and we will continue providing updates as they become available.

3. **Who does it apply to?**
   Fully-Insured and Flex-Funded Small Business, Middle Market, and Premier Groups, including Fully-Insured Large Group grandfathered plans. This also includes retiree plans as these are fully-insured Department of Managed Health Care (DMHC) products.

   Please Note: SB 729 does not apply to Group Medicare Advantage Prescription Drug (GMAPD) and Medicare Supplement plans.

   Additionally, it does NOT apply to Self-Funded or ASO, however, these groups may offer the same coverage as required for Fully-Insured groups.

4. **If a group has fewer than half of their employees residing in California, can the group opt out of SB 729?**
   No, even if a Fully-Insured group has fewer than half their employees residing in California, they are

required to comply with SB 729.

5. **What is the effective date?**
   January 1, 2026. On June 30, 2025, Governor Newsom officially signed AB 116 which includes a provision delaying the effective date for SB 729 from July 1, 2025, to January 1, 2026.

6. **Will groups be required to take this coverage prior to their renewal date on or after January 1, 2026?**
   No, groups will not be required to take this coverage prior to their 1st renewal date on or after January 1, 2026.

7. **What benefits and services are required by SB 729?**
   The statute, Health and Safety Code section 1374.55 does not contain a detailed description of benefits and services that must be covered under SB 729.

   APL 25-021 specifies that Large group health plans must cover, and Small groups must offer to cover diagnosis and treatment of infertility and medically necessary fertility services. For full coverage requirements, refer to pages 2 through 6 of APL 25-021.

8. **May health plans impose lifetime limits on the SB 729 fertility benefits?**
   APL 25-021 includes the following guidance on lifetime limits:
   - Large Groups may impose lifetime limits on attempts to retrieve sperm and oocytes, so long as the limit is not less than three. Large Groups are also permitted to set a lifetime limit on cryopreservation coverage, so long as the limit is not less than five years.
   - Services provided to a Large Group enrollee by a prior small group plan or other prior coverage, other than another large group plan regulated by the DMHC, do not count toward the allowable Large Group lifetime limits.
   - Lifetime limits on infertility and fertility services are not permissible for Small Group enrollees.

Small Business

9. **Are Small Business groups required to provide coverage for fertility services?**
   By default, coverage of fertility services as outlined in SB 729 is excluded for Small Business groups as it is not required by the bill. However, Small Business groups interested in offering these fertility services may choose to do so. Blue Shield offers a version of each medical plan with corresponding fertility benefits. These benefits became available to new or renewing groups effective July 1, 2025, and onwards. This approach is consistent with the requirements of SB 729 and was approved by the DMHC.

10. **What is the cost-share for the services required under SB 729?**
    The mandate provides that cost shares or other limitations applied to the coverage of the diagnosis and treatment of infertility must not differ from those applied to benefits for services not related to infertility.

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11. **Are there ways for Small Business groups to enhance their fertility coverage beyond the mandate minimum?**
    No, there are no additional enhancements

12. **Will member plan documents such as SOBs reflect the coverage available to Small Group members?**
    Yes, Blue Shield updates all plan documents once coverage is finalized.

13. **Will there be an endorsement letter sent to Small Group members?**
    Even though there are updates to the Assisted Reproductive Technology SOB for small groups that choose to offer fertility coverage in accordance with SB 729, there will not be an endorsement. **Update as of June 2026:** Small group members are now expected to receive an endorsement related to updates published in APL 25-021.

Large Group - Fully-Insured

14. **What happens to Large Group coverage now that the compliance date for SB 729 has been extended?**
    Large Groups can expect changes to fertility coverage as outlined in SB 729 to take effect on or after January 1, 2026, upon new issuance or renewal.

    a. Groups with originally mandated fertility benefits already built into their proposal effective July 1, 2025 – December 1, 2025, and including the 2% rate load will see their rates adjusted by default.
    b. Any group exceptions for renewals must be communicated to Installation and Billing.

15. **Can groups opt out of the requirements of SB 729?**
    In the Fully-Insured Large Group space, only religious employers can opt out of providing this coverage. Please see the Fully-Insured Request form for criteria required for a group to obtain a religious exemption. Please note that this form is undergoing updates to reflect services covered under SB 729.

    All other Fully-Insured Large Group employers cannot opt out and are required to provide coverage for the diagnosis and treatment of infertility and fertility services, including a maximum of three completed oocyte retrievals (egg retrievals) with unlimited embryo transfers, using single embryo transfer when recommended and medically appropriate.

    While ASO groups are not required to provide this coverage, they will have the ability to opt in and embed the same coverage as required for Fully-Insured offerings.

16. **What is the cost-share for the services required under SB 729?**
    The mandate provides that cost shares or other limitations applied to the coverage of the diagnosis and treatment of infertility must not differ from those applied to benefits for services not related to infertility.

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17. **My group currently has an Additional Assisted Reproductive Technology rider, can they maintain those benefits?**
    Groups will be able to customize their fertility coverage to be more generous than SB 729 requires.

18. **Are there ways for groups to enhance their fertility coverage beyond the mandate minimum?**
    Yes, for Large Group clients may continue to provide more generous fertility coverage than mandated by SB 729 should that employer group choose to do so.

19. **Will there be updates to the Large Group renewal kits?**
    Yes, there is a one page insert for the renewal package to explain the minimum requirements of SB 729 and that we are working in good faith to implement this mandate.

20. **Will endorsements be necessary for 2026 plan materials?**
    Yes, endorsements containing information required by APL 25-021 will be mailed to group administrators for distribution to enrollees.

Large Group - Self-Funded

21. **Can ASO opt in to provide the same coverage as required for Fully-Insured Middle Market and Premier groups?**
    While ASO groups are not required to provide this coverage, they will have the ability to opt in and embed the same coverage as required for Fully-Insured offerings.

22. **What is the process for ASO groups to opt in?**
    If a group is interested in opting in, they should reach out to their Account Management team.