
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 1419 (Addis) - California Health Benefit Exchange: automatic health care coverage enrollment

Version: July 3, 2025
Urgency: No
Hearing Date: August 18, 2025

Policy Vote: HEALTH 10 - 0
Mandate: No
Consultant: Agnes Lee

Bill Summary: AB 1419 would expand an existing Covered California auto-enrollment process, as specified.

Fiscal Impact: Covered California estimates one-time costs of approximately \$500,000 (California Health Trust Fund) for the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) for system modifications necessary to support the expansion of the auto-enrollment program. In addition, there would be minimal expenditures associated with marketing and communications efforts to educate newly auto-enrolled consumers.

Background: Current law establishes Covered California which uses a competitive process to select participating carriers and other contractors, to make health insurance available to individuals and small businesses through qualified health plans as authorized under the federal Affordable Care Act (ACA). The Medi-Cal program provides health coverage to low-income Californians.

CalHEERS is the state's centralized, automated system used to determine eligibility for and enroll Californians in Medi-Cal or Covered California. The Statewide Automated Welfare System (CalSAWS) is the county system for determining and managing eligibility and benefits for various public assistance programs at the county level, including Medi-Cal, CalFresh and CalWORKS.

A change in income or family size may change eligibility and trigger a move from Medi-Cal to Covered California. Current law establishes an automatic enrollment process for a person who loses Medi-Cal eligibility and instead qualifies for Covered California. Such an individual receives a notice when they are disenrolled from Medi-Cal and is auto-enrolled in Covered California in the lowest-cost silver plan available, or a plan that matches their previous Medi-Cal plan.

Proposed Law: AB 1419 would expand the existing Covered California auto-enrollment process for individuals who lose Medi-Cal eligibility, to include individuals who have submitted health coverage applications through CalSAWS but are found ineligible for Medi-Cal.

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