

Date of Hearing: March 17, 2026

ASSEMBLY COMMITTEE ON HEALTH  
Mia Bonta, Chair  
AB 1907 (Addis) – As Introduced February 12, 2026

**SUBJECT:** California Health Benefit Exchange: automatic health care coverage enrollment.

**SUMMARY:** Expands an existing streamlined Covered California enrollment process from Medi-Cal to allow a complete application for an insurance affordability program submitted through the Statewide Automated Welfare System (SAWS) to be used to enroll individuals who are determined eligible for financial assistance through Covered California into specified health insurance plans. **Specifically**, this bill:

- 1) Requires individuals subject to streamlined Covered California enrollment to be enrolled into one of the following plans:
  - a) The lowest cost silver plan available;
  - b) The plan in which other members of the household, as specified, are enrolled;
  - c) The lowest cost plan available to an Indian, as defined in federal law, who is eligible for reduced cost-sharing; or,
  - d) The individual's previous Medi-Cal managed care (MCMC) plan, if Covered California has that information.
- 2) Requires plan enrollment to occur upon the receipt of a complete application for an insurance affordability program through SAWS.
- 3) Applies existing premium due dates and consumer notification requirements to streamlined enrollees coming from SAWS.
- 4) Requires Covered California to provide individuals with instructions on how to effectuate coverage in the selected plan, including, but not limited to, paying the premium on or before the due date. Requires, if there is no premium due, Covered California to provide instructions on how to opt into the selected plan.
- 5) Delays implementation to January 1, 2028.

**EXISTING LAW:**

- 1) Establishes Covered California as California's health benefit exchange for individual and small business purchasers as authorized under the Patient Protection and Affordable Care Act (ACA); and, the Department of Health Care Services (DHCS) to administer the Medi-Cal program. [Government Code (GOV) §§ 100500 - 100522, and Welfare and Institutions Code (WIC) § 14000, *et seq.*]
- 2) Requires a single, accessible, standardized paper, electronic, and telephone application for insurance affordability programs to be developed by DHCS and the board governing Covered California, and requires the application to be used by all entities authorized to make an

eligibility determination for any of the insurance affordability programs and by their agents. [WIC § 15926]

- 3) Requires, during the processing of an application, renewal, or a transition due to a change in circumstances, an entity making an eligibility determination for an insurance affordability program to ensure that an eligible applicant and recipient of insurance affordability programs that meets all program eligibility requirements and complies with all necessary requests for information moves between programs without any breaks in coverage and without being required to provide any forms, documents, or other information or undergo verification that is duplicative or otherwise unnecessary. [WIC § 15926]
- 4) Defines an “insurance affordability program” to mean a program that is one of the following:
  - a) The Medi-Cal program;
  - b) The state’s children’s health insurance program (CHIP); or,
  - c) A program that makes available to qualified individuals coverage in a qualified health plan through the Covered California with advance payment of the premium tax credit established under a specified provision of federal law. [WIC § 15926]
- 5) Requires Covered California, upon receipt of an individual’s electronic application from Medi-Cal, to use the available information to enroll the individual or individuals in the lowest cost silver plan available, unless Covered California has information from the county, DHCS, managed care plan, or another plan as determined by Covered California that enables Covered California to enroll the individual with the individual’s previous managed care plan within the timeframe required by 6) below. [GOV § 100503.4]
- 6) Requires plan enrollment to occur before the termination date of coverage through the insurance affordability program. [GOV § 100503.4]
- 7) Prohibits the plan’s premium due date from being sooner than the last day of the first month of enrollment. [GOV § 100503.4]
- 8) Requires Covered California to provide an individual who is enrolled in a plan pursuant to the above-described provisions with a notice that includes the following information:
  - a) The plan in which the individual is enrolled;
  - b) The individual’s right to select another available plan and any relevant deadlines for that selection;
  - c) How to receive assistance to select a plan;
  - d) The individual’s right not to enroll in the plan;
  - e) Information for an individual appealing their previous coverage through an insurance affordability program; and,
  - f) A statement that services received during the first month of enrollment will only be covered by the plan if the premium is paid by the due date. [GOV § 100503.4]

**FISCAL EFFECT:** Unknown. This bill has not been analyzed by a fiscal committee.

**COMMENTS:**

**1) PURPOSE OF THIS BILL.** According to the author, in recent years the introduction of auto-enrollment greatly boosted California’s mission to ensure total health coverage for its residents. The author continues that despite this progress, changes in healthcare at the federal level will cause up to 3.4 million Californians to lose coverage. The author argues that this bill will help connect people with affordable coverage plans based on the information they have already submitted, thus streamlining the process and reducing gaps in coverage. The author concludes that this bill is the next step towards ensuring that no Californian falls through the cracks when it comes to obtaining and maintaining not just the health care they can afford, but the health care they deserve.

**2) BACKGROUND.**

**a) Medi-Cal and Covered California.** Medi-Cal provides free or low-cost health coverage to adults with incomes up to 138% of the federal poverty level (FPL), and to children with family incomes up to 266% of the FPL. People with certain legal immigration status and incomes above those limits can get financial help to buy health insurance through Covered California. Under the ACA, people earning up to 400% of the FPL can receive help paying for their health insurance premiums. Those earning up to 250% of the FPL can also get help with out-of-pocket costs.

Every month, thousands of Californians are found eligible for either Medi-Cal or subsidized coverage through Covered California, typically through one of two on-line enrollment systems. The California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) is the state’s centralized, automated system used to determine eligibility for and enroll Californians in insurance affordability programs (Medi-Cal and Covered California). SAWS 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.

**b) Redeterminations & enrollment.** People applying for insurance affordability programs must have their eligibility determined upon application and once every year, a process known as “redetermination.” When people have a change in income or family size, they may move from Medi-Cal to Covered California (for example, if they had an increase in income above the Medi-Cal income eligibility threshold) or from Covered California to Medi-Cal (if they had a decrease in income to below the Medi-Cal income thresholds).

California created a streamlined automated system to help people move from one insurance affordability program to another through SB 260 (Hurtado), Chapter 845, Statutes of 2019. SB 260 set up automatic enrollment for people who lose Medi-Cal eligibility and instead qualify for Covered California. These individuals are placed into the lowest-cost silver plan available, or into a Covered California plan that matches their previous Medi-Cal plan.

As part of this process, consumers receive a notice when they are disenrolled from Medi-Cal and auto-enrolled in a Covered California plan. This eligibility notice is provided

before the effective date of their new coverage, and provides information for consumers on why they are receiving the notice, what options they have, and how to get help. Since this program started in 2023, over 200,000 people have been automatically enrolled into Covered California coverage.

This bill would extend the provisions of SB 260 to include new applicants found eligible through SAWS, the county eligibility system. Currently, people who apply for health coverage through SAWS and are found income eligible for Covered California receive a notice from SAWS and another from Covered California telling them of their eligibility for coverage through Covered California, the amount of their premium tax credit and the date by which the person needs to pick a plan. This can result in consumer confusion because this group of people did not apply to Covered California, and they may be unaware of what Covered California is or does. In addition, these individuals must take an extra step of using CalHEERS to choose a health plan, because SAWS does not have a health plan selection option for plans offered through Covered California. This bill would simplify the Covered California plan selection process, reduce confusion, and help more Californians get insured faster. Covered California estimates that more than 100,000 people each year could benefit from this change to make it easier for eligible individuals to access affordable, quality health care.

**3) SUPPORT.** The Western Center on Law and Poverty (Western Center) supports this bill, writing that since the implementation of the ACA in California, advocates and policymakers have envisioned a unified eligibility system across different insurance affordability programs, including Medi-Cal and Covered California. This system was based on a “no-wrong door” principle: no matter where a consumer applied, their eligibility should be determined for the most advantageous program available to that consumer. Western Center continues that while this vision has largely been realized for consumers applying for health coverage, this bill would streamline the process for consumers who newly apply for coverage through counties but are determined ineligible for Medi-Cal. Western Center states that rather than going through the existing SB 260 auto-enrollment process, these consumers must navigate a variety of discrete steps to enroll. They receive a notice informing them of their Covered California eligibility along with a deadline to pick a Covered California plan. They must then engage with our enrollment portal to create or log into an account and then enter the plan selection process. Western Center concludes that this bill would minimize the steps a consumer must take to obtain health coverage, by following the existing SB 260 auto-enrollment process that requires consumers to take affirmative action to effectuate health coverage.

#### **4) PREVIOUS LEGISLATION.**

- a)** AB 1419 (Addis) of 2025, was substantially similar to this bill. AB 1419 was held on the Senate Appropriations Committee suspense file.
- b)** SB 260 (Hurtado) requires Covered California to enroll individuals using electronic information from Medi-Cal or the Children’s Health Insurance Program in the lowest cost silver Covered California plan. SB 260 requires a health plan or insurer to annually notify an individual that when they cease to be enrolled in coverage, their contact information will be provided to Covered California to assist in obtaining other coverage, or that they may opt out of this transfer of information.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California Pan-Ethnic Health Network  
Health Access  
Western Center on Law and Poverty

**Opposition**

None on file

**Analysis Prepared by:** Riana King / HEALTH / (916) 319-2097