SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2201 (Boerner) - Medi-Cal: eligibility redetermination

Version: July 2, 2026
Urgency: No
Hearing Date: August 3, 2026

Policy Vote: HEALTH 10 - 0
Mandate: Yes
Consultant: Agnes Lee

Bill Summary: AB 2201 would impose requirements on counties regarding the Medi-Cal eligibility redetermination process.

Fiscal Impact:

- Unknown ongoing costs, potentially low millions, due to higher Medi-Cal caseloads to the extent that additional beneficiaries would remain eligible for the program (General Fund and federal funds).

- Unknown ongoing costs, potentially hundreds of thousands, for the Department of Health Care Services (DHCS) for state administration (General Fund and federal funds).

- Unknown one-time costs, potentially hundreds of thousands, for automation updates (General Fund and federal funds).

- Unknown costs to counties for administration. Costs would be potentially reimbursable by the state, subject to a determination by the Commission on State Mandates.

Background: The Medi-Cal program provides health care services to qualified low-income individuals. The Medi-Cal program is primarily governed by the federal Medicaid program. H.R. 1 (Public Law No 119-21) made a number of significant changes that restrict eligibility and funding for the federal Medicaid program. Among the provisions, H.R. 1 requires an eligibility redetermination process every 6 months for nondisabled adults between the ages of 19 and 65 who gained coverage through the federal Affordable Care Act ("ACA expansion adults"). Prior to the enactment of H.R. 1, the federal Medicaid program required the eligibility of all Medicaid recipients to be renewed once every 12 months or when the recipient reported a change in circumstances.

Counties determine eligibility for Medi-Cal at the local level. State law requires counties, for purposes of acquiring information necessary to conduct Medi-Cal eligibility redeterminations, to gather information available to the county that is relevant to the beneficiary's Medi-Cal eligibility prior to contacting the beneficiary. Sources for these efforts must include information contained in the beneficiary's file or other information, including more recent information available to the county. Information sources include Medi-Cal, CalWORKs, and CalFresh case files of the beneficiary or of any of their immediate family members, which are open, or were closed within the last 90 days,

information accessed through certain databases, and, wherever feasible, other sources of relevant information reasonably available to the county, as specified.

Proposed Law: Specific provisions of the bill would:

- Require the county, in the case of an annual or six-month redetermination, to verify countable income at renewal without requesting additional verification information or documentation if either of the following two sets of conditions are met:
    - The most recent income determination was based on a previously verified attestation of income at or below 100 percent of the federal poverty level, including ex parte, electronic, or administrative verification, during either the initial application or at the most recent renewal within the last 12 months; the county has checked financial data sources, and no information has been received; and no contradictory information is on file.
    - The most recent income determination, at either initial application or most recent renewal, was within the last 12 months; the beneficiary receives only income under Title II of the federal Social Security Act and any other sources of stable income, defined as any income that generally does not fluctuate (except for cost-of-living adjustments); and no contradictory information is on file.
- Require the county, in the case of an annual redetermination, to verify countable assets at renewal without requesting additional verification information or documentation if all of the following conditions are met:
    - The most recent asset verification was based on a previously verified attestation of assets, at either initial application or most recent renewal, within the last 12 months.
    - The county has checked financial data sources, and no information is received, or no response has been received within a reasonable timeframe, or the beneficiary has only stable assets, defined as any assets that are unlikely to increase in value, at the most recent determination.
    - No contradictory information is on file.
- Make the implementation of the provisions subject to an appropriation made by the Legislature.

Related Legislation:

SB 164 (Committee on Budget and Fiscal Review, Chapter 27, Statutes of 2026), the health budget trailer bill, included provisions related to the Medi-Cal eligibility redetermination process.

AB 2161 (Bonta) would include provisions related to H.R. 1's eligibility redetermination process. The bill is scheduled to be heard August 3, 2026 in this committee.

AB 2208 (Stefani) would establish cost-sharing provisions in the Medi-Cal program in response to H.R. 1 and include provisions related to the eligibility verification process.

Staff Comments: The Budget Act of 2026 includes the following:

- $196.9 million General Fund in 2026-27 for county eligibility workload related to H.R. 1 implementation.

- $33 million ($15.5 million General Fund and $17.5 million federal funds) in 2026-27, $11.3 million ($5.7 million General Fund and $5.7 million federal funds) in 2027-28, $3.3 million ($1.6 million General Fund and $1.6 million federal fund) in 2028-29 and 2029-30 for DHCS staff positions and resources to support implementation of eligibility and other changes related to H.R. 1.

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