SENATE COMMITTEE ON HEALTH
Senator Dr. Akilah Weber Pierson, Chair

BILL NO: SB 1202
AUTHOR: Weber Pierson
VERSION: March 23, 2026
HEARING DATE: April 8, 2026
CONSULTANT: Jen Flory

SUBJECT: Medi-Cal: dashboard and outreach

SUMMARY: Requires the California Department of Health Care Services (DHCS) to establish a dashboard to track enrollment data related to the implementation of recently enacted federal enrollment barriers. Requires DHCS, counties, and Medi-Cal managed care plans to undertake linguistically and culturally appropriate outreach efforts to Medi-Cal recipients to educate them on the changes to federal law and maintaining Medi-Cal eligibility.

Existing federal law:

1) Establishes the Medicaid program to enable each state to furnish medical assistance on behalf of individuals whose income and resources are insufficient to meet the costs of necessary medical services. [42 USC §1396, et seq.]

2) Requires the eligibility of all Medicaid recipients to be renewed when the recipient reports a change in circumstances or once every 12 months. [42 C.F.R. §435.916 and §435.919]

3) Starting January 1, 2027, as enacted by H.R. 1 (Public Law No. 119-21), requires individuals with incomes below 138% of the federal poverty level who are under age 65, not pregnant, and have no Medicaid-eligible dependents to:
   a) Have their eligibility for Medicaid additionally redetermined every six months; and,
   b) Demonstrate community engagement through at least 80 hours of work, community service, or participation in a work program, or at least half-time participation in an educational program, or have a monthly income not less than 80 times the federal minimum wage in a specified month. Provides for some exceptions to this requirement. This is referred to as the "work and community engagement" requirements. [42 USC §1396a]

4) Requires states to provide individuals who are subject to the work and community engagement requirements information on how to comply, the consequences for noncompliance, and how to identify themselves as qualifying for an exception to the requirement in at least two different formats (e.g. mail, text, telephone, website, or other commonly available electronic means). [42 USC §1396a]

5) Starting January 1, 2027, as enacted by H.R. 1, reduces the retroactive eligibility period for Medicaid from three months prior to the month of application to one month prior to the month of application for the individuals described in 3) above, and two months prior to the month of application for all other individuals. [42 USC 1396d]

6) Authorizes lawfully present immigrants with satisfactory immigration status to receive federal public benefits, including lawful permanent residents, asylees, refugees, parolees, Cuban and Haitian entrants, individuals lawfully residing in the U.S. in accordance with

Compact of Free Association, and immigrants who have been battered or subject to extreme cruelty. [8 USC 1641]

7) Starting October 1, 2026, as enacted by H.R. 1, limits federal payments to states for individuals who are not citizens or nationals of the U.S., lawful permanent residents, Cuban or Haitian entrants, or individuals lawfully residing in the U.S. in accordance with a Compact of Free Association. [42 USC §1396b]

Existing state law:

1) Establishes the Medi-Cal program, which is administered by DHCS, and under which qualified low-income individuals receive health care services. [WIC §14000, et seq.]

2) Authorizes the DHCS director to contract, on a bid or nonbid basis, with any qualified individual, organization, or entity to provide services to, arrange for, or case manage the care of Medi-Cal beneficiaries and establishes managed care models that DHCS contracts within each county. [WIC §14087.3, 14089, 14087.98, 14087.967, 14087.5]

3) Delegates, to the county of residence, the responsibility for Medi-Cal eligibility determinations and ongoing case management. [WIC §14015.5]

4) Requires a county to perform redeterminations of eligibility for Medi-Cal recipients every 12 months and to promptly redetermine eligibility whenever the county receives information about changes in a recipient's circumstances that may affect eligibility for Medi-Cal benefits. [WIC §14005.37]

5) Authorizes eligibility for the Medi-Cal program during any of the three months immediately prior to the month in which the application was made. [22 CCR §50197]

6) Establishes Medi-Cal eligibility for individuals without satisfactory immigration status using state funds and directs DHCS to maximize federal financial participation in implementing this section to the extent allowable. [WIC §14007.8]

7) Requires counties to undertake outreach efforts to Medi-Cal recipients to maintain the most up-to-date home addresses, telephone numbers, and other necessary contact information and to encourage and assist with the timely submission of the annual reaffirmation form, transitional Medi-Cal program reporting forms, and the Medi-Cal redetermination process. Authorizes counties to collaborate with community-based organizations, provided that confidentiality is protected. [WIC §14005.36]

8) Requires DHCS to encourage and facilitate efforts by managed care plans to report updated member contact information, and requires DHCS and counties to incorporate updated contact information received from plans in all Medi-Cal systems used to inform plans of a member's enrollment status. [WIC §14005.36]

This bill:

1) Requires DHCS, in collaboration with the California Health and Human Services Agency and in consultation with Covered California, to establish a data dashboard providing data on applications, enrollment, redeterminations, disenrollments, and terminations, stratified by county and demographic data including age, race, ethnicity, language, and gender, excluding

any personally identifiable information. Requires the dashboard to be operationalized by January 1, 2028 and updated monthly.

2) Requires the dashboard to track the following for the work or community engagement requirements: all the reasons applications are denied or recipients' coverage is terminated or modified based on work or community engagement requirements; exemptions requested and granted by type; and *ex parte* approvals, administrative denials or terminations, and appeals data.

3) Requires DHCS to develop the dashboard in consultation with stakeholders, including consumers, advocates, Medi-Cal plans, providers, counties, and the Legislature to ensure the dashboard is user-friendly and publicly accessible. Requires DHCS to consider the following objectives in developing the dashboard: learn about and document the impact of H.R. 1 on Medi-Cal applicants and recipients; identify trends or problems that might help improve the program or application technology and eligibility systems; and, obtain reliable data that is collected and analyzed in a timely fashion.

4) Requires DHCS to conduct outreach about work or community engagement requirements, including who is subject to the requirements, reporting requirements, processes to meet an exemption, and the consequences of noncompliance; frequent redeterminations; and, changes to retroactive eligibility to impacted Medi-Cal recipients pursuant to H.R. 1.

5) Requires DHCS to conduct outreach in at least two formats, including electronically if elected by the recipient, and to coordinate outreach across public social services programs. Requires DHCS to conduct listening sessions with Medi-Cal and CalFresh recipients, eligibility workers, and community-based organizations reflecting the diversity of the Medi-Cal population in developing the outreach and communication strategies.

6) Adds, to counties' existing outreach requirements, the requirement to include information on the new H.R. 1 requirements affecting Medi-Cal redetermination. Requires outreach efforts to meet cultural and linguistic appropriateness standards, in alignment with the National Standards for Culturally and Linguistically Appropriate Services.

7) Requires counties to make a good faith effort to collaborate with community-based organizations and to exercise its discretion in determining which organizations are best situated to assist in outreach efforts, particularly in efforts aimed at difficult-to-reach individuals and communities.

8) Requires Medi-Cal plans to establish and conduct an outreach and education plan for their members about the work or community engagement requirements based on guidance by DHCS.

9) Requires the Medi-Cal plan's outreach and education plan to be informed by DHCS's information on best practices supporting Medi-Cal members in maintaining coverage and the plan's stakeholder engagement. Requires the outreach and education plan to include information on maintaining eligibility, with an emphasis on work or community engagement requirements; information on Medi-Cal due process rights; and, contact information for local community partners.

10) Requires the Medi-Cal plan's outreach and education efforts to be informed by its Population Needs Assessment; have messaging and materials appropriate to the diversity of the plan membership; meet the cultural and linguistic appropriateness standards, in alignment with the National Standards for Culturally and Linguistically Appropriate Services; and, provide multiple points of contact for members to learn more about work or community engagement and maintaining Medi-Cal eligibility.

11) Authorizes DHCS to require modification of a Medi-Cal plan's existing outreach and education efforts for purposes of implementing this bill.

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

COMMENTS:

1) *Author's statement.* According to the author, last July, President Trump and Congress enacted H.R. 1, a federal reconciliation bill that gutted our Medicaid program to give tax cuts to the wealthy. In addition to drastically impacting how our state can raise money for Medi-Cal, H.R. 1 also created new eligibility barriers that could cut nearly two million people off the Medi-Cal program. These barriers include new work requirements, new renewal requirements, and the loss of federal funding for several groups of immigrants who have not previously been denied federal assistance. This bill requires DHCS to create a public data dashboard tracking how H.R. 1 affects Medi-Cal eligibility and enrollment. It also strengthens and expands outreach requirements for DHCS, counties, and Medi-Cal managed care to help prevent eligible residents from losing coverage because of the new federal rules. Medi-Cal enrollees need clear, culturally and linguistically appropriate information so they understand what requirements are changing, what documentation may be required to keep coverage if they remain eligible, and when coverage could end if they do not. Collecting and publicly reporting this data will also allow California to document the harm of these federal policy changes.

1) *H.R. 1.* H.R. 1, a vast budget reconciliation bill, makes a number of changes primarily to lower taxes, increase funding for immigration control and national defense, and restrict access to and funding for SNAP and Medicaid. Medicaid payments were reduced by defunding family planning providers that provide abortions, prohibiting new or increased provider taxes to fund Medicaid and requiring a gradual reduction of existing provider taxes, capping the rate the state may set for certain services, reducing the federal share of payment for emergency services to adults with unqualified immigration status, and making changes in allowable payments under federal waiver programs. More relevant to this bill are a number of changes to the Medicaid eligibility rules, which were enacted to reduce the number of people receiving assistance through the Medicaid program.

    a) *Work requirements.* The new "community engagement requirements" (or "work requirements") require nondisabled adults between the ages of 19 and 65 who gained coverage through the Affordable Care Act ("ACA expansion adults") to demonstrate 80 hours of work, education, or volunteer activities a month to be eligible for Medicaid coverage, unless they qualify for a limited exemption (pregnant or postpartum; incarcerated; parents with dependent children under age 14; disabled veterans; individuals with serious or complex medical conditions, including substance use or disabling mental disorders; and former foster youth; or live in either an area with a federally declared disaster or with a recognized high unemployment rate). Because the work requirement is calculated based on federal minimum wage, many may be exempt if

they earn at least $580 in monthly income. States are required to verify that an individual meets the community engagement requirements twice a year, starting January 1, 2027.

b) *Semiannual eligibility redeterminations.* Under current federal regulation and state law, Medi-Cal eligibility must be redetermined once every 12 months or whenever an individual reports a change in circumstances. H.R. 1 requires an additional eligibility renewal process every six months for the same group of ACA expansion adults that the work requirements apply to, starting January 1, 2027. This is intended to reduce the Medicaid rolls because eligible individuals often fail to respond to requests for information. In fact, prior to the ACA, California would use additional redeterminations, at times quarterly redeterminations when the state budget was tight, to reduce Medi-Cal enrollment.

c) *Retroactive eligibility.* Under existing state and federal law, individuals applying for Medi-Cal can also have medical bills paid for the three months prior to application, known as the "retroactive eligibility period." H.R. 1 reduces this period to one month prior to the month of application for the ACA expansion adults and two months prior to the month of application for everyone else, starting January 1, 2027.

d) *Reduced federal funding for previously qualified immigrants.* H.R. 1 also ends the availability of full-scope federal Medicaid funding for additional groups of immigrants who are lawfully present, including refugees, asylees, victims of trafficking and others under humanitarian immigration statuses, starting October 1, 2026. The state can only continue to provide for full-scope Medi-Cal for these populations by paying for the entirety of their care, with the exception of emergency and pregnancy services. Emergency and pregnancy services, while still eligible for federal financial participation, are now reimbursed at a lower rate as well: 50% versus 90% for the ACA expansion adults.

2) *Impacts of H.R. 1 eligibility barriers.* The UC Berkeley Labor Center estimates that 1.87 million adults will lose coverage due to the work requirements, and 270,000 will lose coverage due to the semiannual eligibility redeterminations. The most recent estimate from DHCS in the *Implementation Plan for New Federal Eligibility and Enrollment Changes Under H.R. 1,* released on January 29, 2026 estimates up to 1.8 million will lose coverage due to work requirements, increased renewals, and the normal churn of individuals transitioning from Medi-Cal to Covered California. DHCS has also shared that approximately 200,000 immigrants will no longer have satisfactory immigration status due to the H.R. 1 change regarding immigrant eligibility and, according to the current Governor's budget proposal, will lose full-scope Medi-Cal.

   According to a 2021 issue brief, *Medicaid Churning and Continuity of Care,* by the U.S. Health and Human Services Department, Medicaid "churn" (recipients moving in and out of coverage caused by frequent redeterminations) results in higher administrative costs, less predictable state expenditures, and higher monthly health care costs due to pent-up demand for health care services. People who experience churn are more likely to delay care, receive less preventive care, refill prescriptions less often, and have more emergency department visits. This bill seeks to reduce churn in Medi-Cal by including recipients and other stakeholders in developing outreach and education plans and requiring specified data on any coverage losses.

With regards to work or community engagement requirements, research published by Health Affairs in September 2020 on Arkansas's temporary community engagement requirements found that lack of outreach was a significant problem in the implementation. Almost 35% of those potentially subject to the requirement had heard nothing about it. A February 2020 Urban Institute report on New Hampshire's attempt to implement work requirements described that during the one month the requirement was in effect, only 32% of the recipients subjected to the requirement were in compliance with the target, causing state officials to pause the program before it was ultimately halted by a court. According to the report, outreach remained a key issue with recipients reporting that they did not understand the information sent to them and a too heavy reliance on mail- and telephone-based communication. Georgia more recently implemented work requirements in 2023, but that was part of a demonstration waiver that was the first time Georgia had expanded coverage to the ACA expansion adults at all, so no individuals lost coverage as a result. Nonetheless, the demonstration was widely criticized as the administrative expenses of implementing the expansion in this manner were more than double the cost of actually providing care to the same individuals, as noted by a September 2025 U.S. Government Accountability Office report.

3) *Related legislation.* SB 987 (Weber Pierson) creates the California Health Access Fund to redirect any savings to the state resulting from decreased enrollment in the Medi-Cal program caused by the implementation of H.R. 1 to ensure that California residents losing health coverage can continue to receive health care services and that health care providers are reimbursed for these services. *SB 987 is set for hearing on April 13, 2026 in the Senate Approrpriations Committee.*

   AB 2161 (Bonta) codifies H.R. 1's work requirements; requires DHCS to implement H.R. 1's work requirements in California in the least administratively burdensome way to Medi-Cal applicants and recipients as possible; and prohibits DHCS from applying H.R. 1's work requirements to state-only Medi-Cal populations. *AB 2161 is set for hearing on April 7, 2026 in the Assembly Health Committee.*

   AB 2201 (Boerner) codifies H.R. 1's semiannual redetermination requirements and allows more instances where a Medi-Cal recipient may be renewed *ex parte*, or without requiring a recipient to produce income information such as for individuals with minimal, stable income sources, as defined, such as Supplemental Security Income. *AB 2201 is set for hearing on April 7, 2026 in the Assembly Health Committee.*

   AB 2208 (Stefani) codifies H.R. 1's Medicaid cost-sharing requirements and limits the cost sharing to one cent; requires Medi-Cal systems implementing H.R. 1 changes to be user-tested; and requires the state to provide three months of retroactive eligibility for Medi-Cal even after H.R. 1 limits federal payments for retroactive eligibility. *AB 2208 is set for hearing on April 7, 2026 in the Assembly Health Committee.*

4) *Support.* Co-sponsors Justice in Aging, Health Access, National Health Law Program, and Western Center on Law and Poverty, and many supporters, write many Medi-Cal recipients are already working or are excused from the requirements because they are a caregiver, student, or have a disability, but may need support to apply for an exemption or prove their employment or schooling. These new requirements add extra layers of red tape that will result in coverage losses because of the additional paperwork. Furthermore, comprehensive data tracking of the impacts is imperative to understanding if specific groups are

disproportionately harmed and mitigating coverage loss. The American Federation of State, County and Municipal Employees writes that transparency and communication are the most effective tools in preventing administrative disenrollments, and an all-hands-on-deck approach that is coordinated, and culturally and linguistically appropriate outreach will ensure all Californians who rely on Medi-Cal understand the steps necessary to maintain eligibility. The California Hospital Association points out that if estimates are correct about the number of Californians that lose access to Medi-Cal, this translates to more than $2 billion annually in uncompensated care costs that will be borne by hospitals and threaten providers' financial stability.

5) *Other.* The Local Health Plans of California submitted a letter agreeing with the overall goal, but requesting amendments in the following areas 1) delete language in existing law requiring recipient consent for plans to share updated contact information as this language was superseded by H.R. 1 which requires plans to share such information; 2) authorize plans to receive recipient redetermination data to aid in outreach efforts; 3) modify some of the content of information to be shared in plan outreach materials; and 4) adjust language requiring inclusion of specific community partner contact information. The committee, author, and sponsors agree to include the first and second requests as committee amendments and the author and sponsors commit to continue working with the plans on the third and fourth requests.

6) *Amendments.* Section 1 is amended to read:

(c)(2) When a managed care plan obtains a beneficiary's updated contact information, the managed care plan shall ~~ask the beneficiary for approval to~~ provide the beneficiary's updated contact information to the appropriate county. ~~If the managed care plan does not obtain approval from the beneficiary to provide the appropriate county with the updated contact information, the county shall attempt to verify that the information that it receives from the plan is accurate, which may include, but is not limited to, making contact with the beneficiary, before updating the beneficiary's case file. The contact shall first be attempted using the method of contact identified by the beneficiary as the preferred method of contact, if a method has been identified.~~

(d) The department shall encourage and facilitate the sharing of beneficiary redetermination data with managed care plans to aid in managed care plans' efforts to assist beneficiaries retain Medi-Cal coverage, including incorporation in the managed care plans' outreach and education efforts described in Section 14197.81

SUPPORT AND OPPOSITION:

Support: Health Access (co-sponsor)
Justice in Aging (co-sponsor)
National Health Law Program (co-sponsor)
Western Center on Law and Poverty (co-sponsor)
Alzheimer's Greater Los Angeles
Alzheimer's Orange County
Alzheimer's San Diego
American College of Obstetricians & Gynecologists – District IX
American Federation of State, County, and Municipal Employees

Asian Resources, Inc.
Bay Area Legal Aid
California Alliance for Retired Americans
California Alliance of Child and Family Services
California Hospital Association
California Immigrant Policy Center
California Kidney Care Alliance
California LGBTQ Health and Human Services Network
California Pan-Ethnic Health Network
California Physicians Alliance
California Primary Care Association
Cardea Health
Caring Across Generations
Children Now
Children's Specialty Care Coalition
Choice in Aging
Coalition of California Welfare Rights Organizations
Community Clinic Association of Los Angeles County
Community Legal Aid Southern California
Community Legal Services in East Palo Alto
Courage California
Disability Rights California
East Bay Community Law Center
Family Voices of California
Gender Affirming Professionals
Grace Institute - End Child Poverty in CA
Jewish Family Service of Los Angeles
Latino Coalition for a Healthy California
Legal Aid Society of San Mateo County
Los Angeles Best Babies Network
Maternal and Child Health Access
Multi-Faith ACTION Coalition
Northeast Valley Health Corporation
Planned Parenthood Affiliates of California
Public Counsel
San Francisco Senior and Disability Action
Senior Services Coalition of Alameda County
South Asian Network
The Children's Partnership
Vision Y Compromiso
Western Center on Law & Poverty

Oppose: None received.

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