
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 1284 (Smallwood-Cuevas) - Medi-Cal benefits: employer reports

Version: April 23, 2026

Policy Vote: HEALTH 8 - 1, L., P.E. & R.
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Urgency: No

Mandate: Yes

Hearing Date: May 4, 2026

Consultant: Agnes Lee

Bill Summary: SB 1284 would require the Department of Health Care Services (DHCS) to prepare a report that includes information, as specified, regarding private employers that have 100 or more employees and have any employees enrolled in the Medi-Cal program, as specified.

Fiscal Impact:

- The Employment Development Department (EDD) estimates one-time General Fund costs of \$100,000 and ongoing General Fund costs of \$100,000 for administration.
- Unknown ongoing General Fund costs, potentially hundreds of thousands, for DHCS to provide the reports.

Background:

Employer-Shared Responsibility. The federal Affordable Care Act (ACA) requires most employers with an average of 50 or more full-time equivalent employees in a calendar year to offer their full-time employees minimum essential health coverage that is affordable and provides a minimum value, as defined, to their employees or to potentially make an employer-shared responsibility payment to the Internal Revenue Service (IRS).

H.R. 1 (Public Law No. 119-21) Medicaid Work Requirements. The Medi-Cal program, administered by DHCS, provides health care services to qualified low-income individuals. The Medi-Cal program is primarily governed by the federal Medicaid program. H.R. 1 made a number of significant changes that restrict eligibility and funding for the federal Medicaid program. The new “community engagement requirements” (or “work requirements”) require nondisabled adults between the ages of 19 and 65 who gained coverage through the ACA (“ACA expansion adults”) to demonstrate 80 hours of work, education, or volunteer activities in order to be eligible for Medicaid coverage, unless they qualify for a limited exemption.

Proposed Law:

- Define for purposes of the bill’s provisions, “employer” to mean a private employer that has 100 or more employees and has any employees enrolled in the Medi-Cal program at any point during the reporting year while employed by the employer.

- Require DHCS after obtaining information from the EDD, as specified, to prepare a report that includes all of the following:
 - The name and address of each employer.
 - The parent company of the employer, if applicable.
 - The Employer Identification Number (EIN) of the employer.
 - The North American Industry Classification System (NAICS) code assigned to the employer.
 - The total number of employees of that employer.
 - The number of employees of that employer enrolled in the Medi-Cal program by category of aid at any point during that reporting year.
 - The number of months the employee received benefits through the Medi-Cal program while employed.
 - The number of dependents of employees of that employer enrolled in the Medi-Cal program.
 - The estimated annual cost to the Medi-Cal program provided to each identified employer's employees and their dependents enrolled in the Medi-Cal program.
 - A summary of the 100 employers with the highest number of employees and dependents enrolled in the Medi-Cal program.
 - A summary of the 100 employers with the highest percent of employees and dependents enrolled in the Medi-Cal program.
- Require DHCS to submit the report to the Legislature no later than July 1, 2027, and annually thereafter; and require that any public reporting must adhere to the department's existing guidelines on data deidentification.
- Provide that individually identifiable information about employees or Medi-Cal enrollees contained in the report is exempt from disclosure under the California Public Records Act.
- Authorize DHCS and EDD to enter into data-sharing agreements as necessary for implementation, consistent with state and federal privacy laws.
- Prohibit an employer from discharging or in any manner discriminating or retaliating against an employee who applies for, or is enrolled in, the Medi-Cal program; and prohibit an employer from refusing to hire a person because that person is enrolled in the Medi-Cal program.

Related Legislation:

SB 987 (Weber Pierson) would create the California Health Access Fund and require that moneys in the fund be used to ensure that California residents losing health care coverage due to the impacts of H.R. 1 can continue to receive health care services. The bill is currently on the suspense file in this committee.

SB 1202 (Weber Pierson) would require DHCS to establish a dashboard to track Medi-Cal enrollment data related to the implementation of H.R. 1. The bill is currently on the suspense file in this committee.

SB 1252 (Durazo) would require DHCS to take all necessary actions to prevent abrupt loss of health care coverage for individuals, as described, due to federal policy changes, state enrollment freezes, the imposition of premiums, work requirements, or administrative barriers. The bill is currently in the Senate Health Committee.

AB 2161 (Bonta) would include provisions related to H.R. 1's work requirements and eligibility redetermination requirements. The bill is currently in the Assembly Appropriations Committee.

AB 2729 (Bonta) would create the Employer Responsibility for Medi-Cal Trust Fund to fund the costs of administering the Medi-Cal program in a manner necessary to prevent loss of or to restore health care coverage, benefits, or access to care following the passage of H.R. 1 and subsequent state budget actions. The bill is currently in the Assembly Appropriations Committee.

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