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

BILL NO: SB 1422
AUTHOR: Durazo
VERSION: February 20, 2026
HEARING DATE: April 8, 2026
CONSULTANT: Jen Flory

SUBJECT: Medi-Cal: eligibility: immigration status

SUMMARY: Deletes provisions of existing state law that freezes program enrollment in full-scope Medi-Cal for undocumented immigrants.

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) Authorizes lawfully present immigrants with satisfactory immigration status to receive federal public benefits, including lawful permanent residents who have resided in the U.S. for more than five years, asylees, refugees, parolees, Cuban and Haitian entrants, individuals lawfully residing in the U.S. in accordance with a Compact of Free Association, and immigrants who have been battered or subject to extreme cruelty. [8 USC §1613 and 8 USC §1641]

3) Starting October 1, 2026, as enacted by H.R. 1 (Public Law No. 119-21), 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]

4) Prohibits, under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), individuals without satisfactory immigration status from being eligible for any state or local public benefits, except for assistance for health care items and services that are necessary for the treatment of an emergency medical condition, short-term, non-cash, in-kind emergency disaster relief, public health assistance for immunizations, public health assistance for testing and treatment of symptoms of communicable disease, and other community in-kind services specified by the Attorney General. [8 USC §1621]

5) Authorizes states to provide eligibility for state and local public benefits to immigrants without satisfactory immigration status by enacting of a statute after August 22, 1996, affirmatively providing for such eligibility. [8 USC §1621]

Existing state law:

1) Establishes the Medi-Cal program, administered by the California Department of Health Care Services (DHCS), under which qualified low-income individuals receive health care services. [WIC §14000, et seq.]

2) Establishes eligibility for full-scope Medi-Cal benefits to individuals over age 19 without satisfactory immigration status who are lawful permanent residents for less than five years or are permanently residing under color or law. [WIC §14007.5]

3) Establishes Medi-Cal eligibility for individuals without satisfactory immigration status or those individuals included in 2) (collectively, "undocumented immigrants") using state funds, and directs DHCS to maximize federal financial participation to the extent allowable under federal law. Starting January 1, 2026, freezes program enrollment for individuals over age 19, except for nonminor dependents and former foster youth until their 26th birthday. [WIC §14007.8]

4) Specifies that individuals who apply for or lose coverage after January 1, 2026 are only eligible for medically necessary pregnancy-related services or services necessary for the treatment of an emergency medical condition. Requires individuals who are pregnant when they lose coverage to remain eligible for full-scope Medi-Cal throughout the pregnancy and for 12 months after the pregnancy ends. [WIC §14007.8]

5) Requires nonpregnant individuals between the ages of 19 and 59 without satisfactory immigration status to pay a $30 monthly premium to keep coverage, starting July 1, 2027. Exempts nonminor dependents and former foster youth until their 26th birthday. [WIC §14007.8]

6) Specifies that individuals who fail to pay the monthly premium for no more than 90 days are only eligible for medically necessary pregnancy-related services or services necessary for the treatment of an emergency medical condition. Requires outstanding premium balances to be paid in full as a condition of continued eligibility for full-scope Medi-Cal coverage. [WIC §14007.8]

7) Starting July 1, 2026, eliminates nonemergency dental services conditions from full-scope coverage for immigrants without satisfactory immigration status. [WIC §14007.8]

This bill: Deletes the provisions of existing state law that freezes program enrollment in full-scope Medi-Cal for undocumented immigrants.

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

COMMENTS:

1) *Author's statement.* According to the author, California has made significant progress expanding health coverage, helping the state achieve its lowest uninsured rate in history. As Medi-Cal expanded, counties were able to scale down indigent care programs, reducing local fiscal burdens and stabilizing safety-net hospitals and clinics. The 2025–26 State Budget froze new enrollment in full-scope Medi-Cal for undocumented adults ages 19 and older, reversing course and making more people uninsured. Individuals who relied on Medi-Cal for care are now attempting to enroll and being told they no longer qualify, while otherwise eligible adults are receiving denial notices. The enrollment freeze does not eliminate health needs; it shifts responsibility from the state back to beleaguered county indigent care programs, strained hospitals, and overcrowded emergency departments. When people lose coverage, detecting early diabetes at a doctor's visit becomes arriving at the emergency room in a diabetic coma, and untreated high blood pressure becomes a stroke. Emergency departments must treat everyone and can cost up to 12 times more than a physician visit, leaving counties to absorb the uncompensated care. California already spends approximately $3.5 billion each year on preventable emergency care and about $13 billion treating conditions later rather than earlier. This comes as counties and hospitals face devastating

federal H.R. 1 cuts estimated at $6.0–$9.5 billion annually. While state legislators cannot fully shield our districts from the federal cuts, we can avoid compounding the damage by restoring Medi-Cal enrollment access.

2) *The availability of Medi-Cal for immigrants.* As a federal-state partnership, the Medi-Cal program must abide by federal rules in order to receive federal financial participation for the services it provides. If the Medi-Cal program provides services to individuals who do not have "satisfactory immigration status" under the federal rules, California must pay for the entirety of the cost of care, with the exception of services to pregnant individuals and services provided in a medical emergency. Prior to 1996, immigrants who were lawful permanent residents or were otherwise "permanently residing under color of law" (e.g. were residing in the U.S. with the knowledge and permission of the federal government) were able to access federal benefits. PRWORA limited which immigrants were eligible for federal programs to a list of qualified statuses (known as "satisfactory immigration status") and in many cases, to immigrants who had lawfully resided in the U.S. for at least five years. Emergency services and services to pregnant individuals were still allowed in the Medicaid program. PRWORA did allow states to extend benefits to immigrants who did not have satisfactory immigration status or who had not resided here long enough, but these benefits were paid for entirely by the state. The Medi-Cal program continued to provide full-scope benefits to many immigrants who were lawfully present out of state-only funds.

3) *Expansions of Medi-Cal through #Health4All.* After the expansion of Medicaid to previously ineligible adults aged 19-64 without dependents under the Affordable Care Act, a coalition of immigrant and health care rights organizations began sponsoring a campaign to expand full-scope Medi-Cal to undocumented immigrants. SB 1005 (Lara of 2014) was the first attempt, and a number of bills in both the Senate and Assembly were run from 2014 through 2021. Ultimately, the program was expanded incrementally through health budget trailer bills each time the Senate, Assembly, and Governor agreed that funding was sufficient, starting with children, then young adults, then adults over age 50, and finally all adults (see *Prior Legislation* section below). The last budget trailer bill was passed in 2022 and the expansion was fully implemented on January 1, 2024, making California the first state in the nation to cover all income-eligible individuals, regardless of immigration status, in its Medicaid program.

4) *Recent reductions in immigrant eligibility.* After years of program expansion in relatively good budget years, in early 2025, despite a decline in Medi-Cal caseload, an overall increase in Medi-Cal spending was projected. According to DHCS's published highlights from the Governor's 2025-26 proposed budget, the major drivers in these increased costs were an approximately $2.7 billion increase in costs for individuals with unsatisfactory immigration status due to higher than anticipated enrollment and increased pharmacy costs for this population. The other drivers are increased pharmacy costs for the rest of the Medi-Cal population, higher caseload retention rates than predicted, and a reduction in a provider tax due to the passage of ballot Proposition 35 (which redirected how proceeds from the tax could be spent). By May 2025, DHCS's published highlights stated that the increase in costs for individuals with unsatisfactory immigration status had grown to $5 billion over the previous year's projection because enrollment had not declined as predicted, and the average costs of care were still higher than predicted. The Governor's May budget revision thus proposed a number of cuts to this population including an enrollment freeze, monthly premiums, service cuts, and reducing provider payments to clinics serving this population. The Legislature agreed to and enacted a modified version of these proposals, including an

enrollment freeze for otherwise eligible undocumented immigrants, $30 monthly premiums for most nonpregnant adults between the ages of 19 and 59 with unsatisfactory immigration status, the elimination of dental benefits for nonpregnant adults over age 19, and the proposed provider rate cuts to clinics.

5) *H.R. 1 increases pressures to the Medi-Cal program.* In addition to the recent increases in Medi-Cal spending, the federal budget reconciliation bill, H.R. 1 (passed in July 2025), included reductions in federal Medicaid spending of over $125 billion a year in the out years, according to the Congressional Budget Office. These program changes include defunding Medicaid payments to 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 specified services, reducing the federal share of payment for emergency services to adults with unqualified immigration status, and changes in allowable payments under federal waiver programs. As a result, California's Medi-Cal program now has significantly less federal support coming in, and DHCS and providers (including hospitals and clinics) are trying to figure out how to replace federal Medicaid dollars.

6) *Related legislation.* SB 1252 (Durazo) states that every person who is a resident subject to a tax and whose income is at or below 138% of the federal poverty level, as specified, is entitled to access to the public health care coverage their tax dollars support, and would require DHCS to ensure that these individuals have access to public health care coverage through programs it administers, including Medi-Cal. *SB 1252 is pending in the Senate Rules Committee.*

7) *Prior legislation.* AB 116 (Committee on Budget, Chapter 21, Statutes of 2025) froze the enrollment into full-scope Medi-Cal of nonpregnant undocumented individuals 19 years of age or older starting January 1, 2026, implemented $30 monthly premiums for nonpregnant individuals 19 to 59 years of age starting July 1, 2026, eliminated dental benefits from full-scope Medi-Cal for nonpregnant individuals 19 years of age or older starting January 1, 2027.

   SB 184 (Committee on Budget and Fiscal Review, Chapter 47, Statutes of 2022) expanded full-scope Medi-Cal eligibility to income-eligible undocumented individuals between 26 and 49 years of age, regardless of immigration status, starting January 1, 2024.

   AB 133 (Committee on Budget, Chapter 143, Statutes of 2021) expanded full-scope Medi-Cal eligibility to income-eligible undocumented individuals 50 years of age or older, regardless of immigration status.

   SB 56 (Durazo of 2021) would have extended eligibility for full-scope Medi-Cal benefits to undocumented adults age 65 and above who are otherwise eligible for those benefits but for their immigration status. *SB 56 was not heard in the Assembly Appropriations Committee.*

   AB 4 (Arambula of 2021) would have extended eligibility for full scope Medi-Cal benefits to anyone regardless of age, and who is otherwise eligible for those benefits but for their immigration status. *AB 4 was held on the Senate Appropriations suspense file.*

SB 104 (Committee on Budget and Fiscal Review, Chapter 67, Statutes of 2019) expanded full-scope Medi-Cal eligibility income-eligible undocumented adults ages 19 to 25, regardless of immigration status.

SB 29 (Durazo of 2019) was substantially similar to SB 56. *SB 29 died on the Assembly floor.*

AB 4 (Arambula of 2019) was substantially similar to AB 4 of 2021. *AB 4 was not heard in the Senate Health Committee.*

SB 974 (Lara of 2018) would have required full scope Medi-Cal eligibility, subject to an appropriation, to be expanded to individuals 65 years of or older, regardless of immigration status. *SB 974 was held on the Assembly Appropriations suspense file.*

AB 2965 (Arambula of 2018) would have required full scope Medi-Cal eligibility to be extended to individuals under 26 years of age, regardless of immigration status. *AB 2965 was held on the Senate Appropriations suspense file.*

SB 75 (Committee on Budget and Fiscal Review, Chapter 18, Statutes of 2015) requires full-scope Medi-Cal eligibility to be extended to income eligible undocumented children under the age of 19, regardless of immigration status.

SB 1005 (Lara of 2014) would have required full scope Medi-Cal eligibility to be extended to individuals who would otherwise be eligible, except for their immigration status, and would have created a new health benefit exchange, to provide subsidized health care coverage to individuals who cannot purchase health care coverage through CC due to their immigration status. *SB 1005 was held on the Senate Appropriations suspense file.*

8) *Support.* This bill is supported by a number of immigrants' rights, health care rights, labor, and provider organizations. Co-sponsors Health Access California and the California Immigrant Policy Center write that California's expansion of Medi-Cal regardless of immigration status strengthens public health and economic stability resulting in the lowest uninsurance rate in California history and improved health outcomes for children. They write that the recent enrollment freeze does not eliminate health needs but just shifts those costs to counties, hospitals and emergency departments. Co-sponsor Latino Coalition for a Healthy California writes that undocumented immigrant households in California pay nearly $8.5 billion in state and local taxes thus denying them coverage blocks them from services they help pay for.

   The County of Santa Clara writes that their county's Latino Health Assessment found that Latinos face higher rates of preventable diseases like obesity, diabetes, and heart disease than other groups. On September 16, 2025, the County Board of Supervisors declared a public health crisis for Latino residents based on these findings and committed to addressing the disparities, but their ability to do so is limited if the current Medi-Cal enrollment freeze continues to block otherwise eligible members of the community from the care they need. Adventist Health writes that when coverage is disrupted, patients often delay care until conditions worsen, resulting in increased reliance on emergency departments—the most expensive and least efficient setting for treatment. For safety-net providers like them, this leads to increased uncompensated care and further strains already limited resources,

particularly in rural and underserved communities where margins are thin and access points are limited.

9) *Opposition.* Five individuals write in opposition stating the Medi-Cal should not be for undocumented individuals, or for citizens only, and that the state of California cannot afford to pay for these individuals.

10) *Policy comment.* The simplest explanation for the reason that the cost of care for individuals who are undocumented was higher than estimated is that their health care needs were higher than estimated, and more people needed care than estimated. Two years after the implementation of Medi-Cal coverage for all, regardless of immigration status, is too soon to tell if this is just due to previous unmet health needs that will be resolved in the out years or if undocumented individuals are actually less healthy than presumed, and thus have more urgent need for health care. Considering the living and working conditions of many of these individuals, and longstanding research on the social drivers of health, higher health needs may in fact be the reality. Additionally, while it is true that covering primary care is cheaper than covering emergency care, or that we all pay when hospitals have more or sicker people coming through the emergency room, it is also true that not providing comprehensive coverage is cheaper for the state General Fund. Whether California is able to continue to provide Medi-Cal regardless of immigration status will require long term budgetary commitment.

SUPPORT AND OPPOSITION:

Support: California Immigrant Policy Center (co-sponsor)
Health Access California (co-sponsor)
Latino Coalition for a Healthy California (co-sponsor)
AAPIs for Civic Empowerment
Access Reproductive Justice
Adventist Health
Alliance for a Better Community
Alliance of Catholic Health Care, Inc.
Alma Family Services
Asian Americans for Community Involvement
American Civil Liberties Union California Action
Asian Law Alliance
Asian Resources, Inc.
Asociacion de Migrantes Guatemaltecos Los Angeles
Avance Democratic Club
Barrio Action Youth and Family Center
Bet Tzedek Legal Services
Buen Vecino
California Academy of Family Physicians
California Alliance of Child and Family Services
California Association of Alcohol and Drug Program Executives
California Association of Health Plans
California Association of Public Hospitals and Health Systems
California Chapter of the American College of Emergency Physicians
California Community Foundation
California Coverage & Health Initiatives
California Federation of Labor Unions

California Human Development
California LGBTQ Health and Human Services Network
California Pan-Ethnic Health Network
California Physicians Alliance
California Primary Care Association
California Rural Legal Assistance Foundation, Inc.
California School-Based Health Alliance
California State Council of Service Employees International Union
Center for Employment Training
Central American Resource Center of California
Central City Neighborhood Partners
Central Valley Opportunity Center
Centro Binacional Para El Desarrollo Indigena Oaxaqueño
Children's Hospital Los Angeles
Chinatown Service Center
Clínica Monseñor Oscar A. Romero
Coalition for Economic Survival
Coalition of Orange County Community Health Centers
Communities United for Restorative Youth Justice
Community Clinic Association of Los Angeles County
Community Health Partnership
County of Contra Costa
County of Santa Clara
County Welfare Directors Association of California
Courage California
CRI-HELP, Inc.
Disability Rights California
Disability Voices United
East Bay Community Law Center
Eastmont Community Center
El Centro del Pueblo
Equality California
Farms2People
First Day Foundation
Friends Committee on Legislation of California
Gateways Hospital and Mental Health Center
Gardner Health Services, Inc.
Gender Affirming Professionals
Grantmakers Concerned with Immigrants and Refugees
Health4Kern
Homeboy Industries
Immigrant Defenders Law Center
Inclusive Action for the City
Indivisible CA: StateStrong
Inland Coalition for Immigrant Justice
Inland Empire Immigrant Youth Collective
InnerCity Struggle
Justice in Aging
Kedren Health

Kheir Clinic
Koreatown Youth and Community Center
La Cooperativa Campesina de California
Legacy Los Angeles Youth Development Corporation
LifeLong Medical Care
Los Amigos de la Comunidad, Inc.
Los Angeles County Federation of Labor
Miguel Contreras Foundation
Mixteco/Indigena Community Organizing Project
Multi-Faith ACTION Coalition
National Health Law Program
Northeast Valley Health Corporation
Organización de Líderes Campesinas en California, Inc.
Organizing Rooted in Abolition Liberation and Empowerment
Oxford Health Group
PICO California
Planned Parenthood Affiliates of California
Proteus, Inc.
Proyecto Pastoral
San Diego Immigrant Rights Consortium
Santa Cruz Community Health
Social Equity California
Social Equity Los Angeles
Social Justice Collaborative
South Asian Network
Southeast Asia Resource Action Center
St. Vincent Behavioral Health Campus
St. Vincent Meals on Wheels
Teamsters California
Thai Community Development Center
The Children's Partnership
The Los Angeles Trust for Children's Health
The San Diego LGBT Community Center
The Translatin@ Coalition
TODEC Legal Center
UNITE HERE International Union
United Latino Voices of Contra Costa County
United Ways of California
Urban Counties of California
Venice Family Clinic
Visión y Compromiso
Wesley Health Centers JWCH Institute
Western Center on Law & Poverty
Women's Foundation California
Young Invincibles

Oppose: Five individuals

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