

# DAY AT THE CAPITOL, 2026

SACRAMENTO, CA

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## Budget Priorities

### Restore Full-Scope Medi-Cal for Immigrant Californians & PPS for UIS

- Maintain full community health center PPS payments for services provided to patients with unsatisfactory immigration status (UIS) - or at least delay changes until Jan 1, 2028.
- Reverse 2025-26 budget cuts made in the 2025-2026 State Budget Act, including the enrollment freeze, unaffordable monthly premiums, and elimination of dental benefits for undocumented enrollees, to maintain the state's commitment to health equity.

#### **Background:**

*State: In the 2025-26 California State Budget the Governor proposed:*

- **Prospective Payment System Payments to Federally Qualified Health Centers and Rural Health Clinics**—Elimination of Prospective Payment System rates to clinics for state-only funded services provided to individuals with unsatisfactory immigration status, effective July 1, 2026. Clinics would receive reimbursement at the applicable Medi-Cal fee-for-service rate and at the Medi-Cal managed care negotiated rate.
- **Enrollment Freeze for Full-Scope Medi-Cal Expansion to Undocumented Californians, Adults Ages 19 and Older**—A freeze on new enrollment to full-scope coverage for undocumented individuals aged 19 and over, effective no sooner than January 1, 2026.
- **Medi-Cal Premiums for Adults with Unsatisfactory Immigration Status, Ages 19-59**—Implementation of \$30 monthly premiums for individuals with unsatisfactory immigration status aged 19 to 59, effective July 1, 2027.

*Federally: In H.R. 1*

- *Enrollees must pay a higher share of health care costs. Starting in October 2028, H.R. 1 will require patients to make up to \$35 copayments per service if they are among the nearly five million Californians who gained Medi-Cal coverage through Medicaid expansion provisions in the Affordable Care Act. **The rule does not apply to care provided at federally qualified health centers**, behavioral health centers, or rural health clinics, and fees won't be imposed for primary care, prenatal, pediatric, mental health, and substance-use treatment services. However, it may divert more patients to FQHC's therefore limiting already scarce resources.*
- **Ask:**
  - *Senate: Thank you for including UIS delays, including PPS for UIS delay in the Senate 'Foundation for the Future' Budget Plan*
  - *Assembly: Sign onto Legislative letter supporting PPS for UIS restoration/delay and ask to align with the Senate Proposal to delay to 1/1/2028 in the Assembly budget plan.*

### Protect Dental Programs

- Maintain Medi-Cal Dental Benefits that are scheduled to be eliminated starting July 1, 2026 - or at least delay until January 1, 2028. This includes dental benefits that are scheduled to be eliminated on July 1, 2026 for Medi-Cal members who are 19 and older, and do not qualify for full-scope Medi-Cal.

## Budget Priorities Continued...

### **Background:**

State: In the 2025-26 California State Budget the Governor proposed:

- **Elimination of Dental Benefits for Adults with Unsatisfactory Immigration Status, Ages 19 and Older**—Elimination of full-scope dental coverage for Medi-Cal members with unsatisfactory immigration status, effective July 1, 2026. This population will continue to have access to restricted-scope, emergency dental coverage.

### Health Enrollment Navigator Funding

- Dedicate state funding to expand a pool of public/private funding to restore funding for the Health Enrollment Navigators Project to support Medi-Cal outreach, enrollment, and renewal efforts given new and significant changes to the Medi-Cal Program.
- Currently \$500K has been dedicated by the Centene Foundation (\$1M with federal match)
- No state funding is currently dedicated to the program in the upcoming fiscal year.

### **Background:**

State:

- In the 2023-24 California State Budget (AB 102) the Governor allocated \$10M in General Funds to support clinic navigators in Medi-Cal enrollment and renewal. This was to assist everyone in redetermining their eligibility after the COVID-19 enrollment freeze. CHAISR was a regional partner and passed through 90.5% of the funding to health centers.
- Health Navigator Program ended at the end of June 2025 however with the upcoming H.R. 1 changes we foresee Medi-Cal recipients needing assistance.
  - **H.R. 1 Section 44141 - Medi-Cal enrollees will face new work requirements.** For the first time in Medi-Cal's history, some enrollees must complete 80 hours per month of "community engagement," which can be satisfied by employment, job training, education, or volunteer activities.
  - **H.R. 1 Section 44108 - Medi-Cal enrollees will have to renew eligibility more frequently.** Enrollees currently are required to renew no more than once every 12 months. Starting in January 2027, H.R. 1 requires people to prove their Medi-Cal eligibility every six months.

### Gender Affirming Care

- Support the \$26M budget request to safeguard access to gender-affirming care (GAC) services for individuals under the age of 19 and those who have lost access to healthcare coverage due to federal policy changes. Funding will:
  - Create a state-only billing pathway under Medi-Cal for youth GAC services (\$1M); and
  - Bolster the capacity of providers to scale up services for patients who have lost access to care due to hospital youth GAC clinic closures (\$25M)

### **Background:**

Federally: H.R. 1

- Section 44125 Prohibits federal Medicaid and CHIP funding from covering a broad range of medically necessary physical and mental health care services for transgender, nonbinary, and gender-nonconforming individuals (e.g., surgical interventions, speech and language interventions, behavioral health services, fertility services, hormone therapy).

## Legislative Priorities

### **AB 2386** (Alvarez) License to practice medicine: Licensed Physicians from Mexico Program and California Physician Expansion Act

**Addressing the Physician Shortage** - Bill would create a pathway of permanent licensure for physicians who are part of the Licensed Physicians from Mexico Program, along with the opportunity for international physicians, who are licensed and have completed postgraduate training abroad, to practice medicine within California.

**Ask: Support**

#### **Additional Info:**

- *Committee: Committee on Appropriations*
- **Ask:**
  - *Assembly: Support when it reaches the Assembly Floor*
  - *Senators: Support the bill when it reaches the Senate*
- *Background: 2024 –*
  - *AB 2860 (Garcia): Asm: Jackson, Reyes\*, Ramos, Sanchez, Wallis, Juan Carrillo, Lackey/Sen: Ochoa Bogh, Padilla, Seyarto*
  - *AB 2864 (Garcia): Asm Juan Carrillo, Jackson, Lackey, Ramos, Reyes\*, Sanchez, Wallis/Sen:Padilla, Seyarto, Ochoa Bogh*

### **SB 1179** (Menjivar) Doctors from El Salvador Program

**Addressing the Physician Shortage** - This bill would take provisions from the Mexican Physicians Program and extend them to physicians from El Salvador that meet educational and training standards to practice at an Federally Qualified Health Center (FQHC) under a non-renewable three-year license.

**Ask: Support**

#### **Additional Info:**

- *Committee: Committee on Appropriations [Hearing 4/27]*
  - *Chair – Senator Sabrina Cervantes (SD-31)*
  - *Vice Chair – Senator Kelly Seyarto (SD-32)*
- **Ask:**
  - *Senators: Support the bill when it reaches the Senate*
  - *Assembly: Support when it reaches the Assembly Floor*

### **AB 1768** (Bryan) Transactions and use taxes: Counties of Contra Costa and Los Angeles

**Protecting the LA County Safety Net** - Allows LA and Contra Costa Counties to exceed their tax caps. For LA County, this will support a temporary one-half percent (0.5%) sales tax through October 1, 2031 and will generate \$1B annually.

**Ask: Support**

#### **Additional Info:**

- *Committee: Committee on Revenue & Taxation [Hearing 4/27]*
  - *Vice Chair: Asm Kate Sanchez (AD-71)*
  - *Members: Asm Juan Carrillo (AD-39), Asm Michelle Rodriguez (AD-53)*
- *Committee: Committee on Local Government [Hearing 4/29]*
  - *Chair - Asm Juan Carrillo (AD-39)*
  - *Members: Asm Natasha Johnson (AD-63); Asm James C. Ramos (AD-45)*
- **Ask:**
  - *Committee Members: Support in their Committee*
  - *Assembly: Support when it reaches the Assembly Floor*
  - *Senators: Support the bill when it reaches the Senate*