# Impacts of House Resolution 1 (HR 1) and State Budget cuts

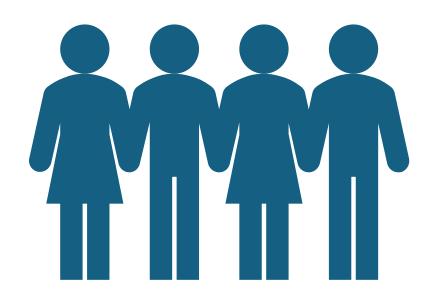
November 21, 2025

# Agenda

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- Sacramento CalFresh and Medi-Cal Population
- Timeline for changes
- HR1 Medi-Cal changes
- State budget impacts on Medi-Cal

# Sacramento County CalFresh and Medi-Cal Individuals



CalFresh: 269,893

Medi-Cal: 499,414

<sup>\*</sup>Based on September caseloads

# Timeline of Federal / State Changes

Fiscal Year	2025-2026	2026-2027	2027-2028	2028-2029
Medi-Cal Eligibility	<b>January 1, 2026</b> Reinstatement of the asset limit	October 1, 2026 Ineligible non-citizens no longer qualify for Medi-Cal  January 1, 2027 Redetermine eligibility for Medicaid expansion adults once every six months  Retroactive coverage reduction to 1 month for Medicaid expansion adults and 2 months for other Medicaid enrollees		October 1, 2028 Cost sharing of up to \$35 per service for Medicaid expansion adults
Medi-Cal Undocumented	January 1, 2026 Freeze of Medi-Cal enrollment for undocumented ages 19 and older	January 1, 2027  Monthly premiums for undocumented ages 19-59		
Medi-Cal Work/Community Engagement			ate has option to dela until 12/31/28, with	
CalFresh/SNAP	Upon Enactment (pending State & Federal regulations) Elimination of CalFresh eligibility for refugees, asylees. Afghan evacuees, temporary protection status, humanitarian parole, survivors of human trafficking, and survivors of domestic violence ABAWD wavier ends; work requirements resume	October 1, 2026 Federal Fiscal Year (FFY) 2027 State share of Admin cost increases from 50% to 75%. State cost is split between the state and counties at a ratio of 70% and 30%. County cost increases from 15% to 22.5%		October 1, 2028 FFY 2028 State agencies require d to pay a percentage of the CalFresh benefit allotments for state error rate over 6%

# HR 1 Medi-Cal Impacts

### Amended Definition of "Qualified Non-Citizen"

### **Effective October 1, 2026**

Establishes a new definition for "qualified non-citizen" (QNC) for Federal Medicaid eligibility.

Only the following QNC categories will remain eligible for Federal Medicaid:

- Lawful Permanent Resident (LPR)
- Specified Cuban or Haitian Entrants (CHE)
- Residents under a Compact of Free Association (COFA) agreement (Palau, Micronesia, Marshall Islands)

## Customers Without Satisfactory Immigration Status

In addition to the current unqualified individuals the following individuals will no longer have satisfactory immigration status and no longer qualify for federally-funded full-scope Medi-Cal:

- Refugees
- Parolees
- Asylees
- Trafficking Survivors

# Adult Expansion Group

# Work / Community Engagement Requirement

### **Changes Effective January 1, 2027**

#### Work Requirements:

- 80 hours per month if customer does not meet an exemption.
- Requirement must be met at the time of application or redetermination.
- Customers will have 30 days to meet the requirement or an exemption criteria before losing coverage.

#### The work activities include:

- Work earning at least \$580 per month (80 hours x Federal Minimum wage).
- Community Service.
- Enrolled at least half-time in an educational program.
- Enrolled in a work program.

# Work Requirements: Exempted Groups

### **Effective January 1, 2027**

- Parents/guardians/caregivers of a dependent child age 13 or younger or disabled.
- Pregnant or receiving Medicaid postpartum coverage.
- Foster youth or former foster youth under age 26.
- American Indians or Alaska Natives.
- Disabled veterans.
- Incarcerated or recently released (within the last 90 days).
- Entitled to Medicare Part A or enrolled in Part B.
- Meeting TANF or ABAWD work requirements.
- Participating in drug/alcohol treatment programs.
- Medically frail (blind/disabled, substance use disorder, serious medical/mental health conditions, or developmental disability).
- Approved customer submitted request for short term hardship exemption.

### Six-Month Redeterminations

### **Effective January 1, 2027**

The adult expansion group, (excluding members of tribes) will have eligibility redetermined every 6 months instead of every 12 months. Process will begin with ex parte review similar to the current annual renewal. Failure to complete a renewal will result in a discontinuance.

Individuals in this group are between the ages of 19-64, not disabled, and no children under the age of 18.

### Retroactive Medi-Cal Reduced Timeframes

### **Effective January 1, 2027**

Reduces the length of retroactive Medi-Cal from three months to:

- One month for adult expansion group in M1 aid code
- Two months for any other coverage group

## Cost Sharing for Expansion Adults

### **Effective October 1, 2028**

Copays will be implemented for adults above 100% FPL for services excluding primary care, prenatal, mental health, substance use disorder, and emergency care. Administration of copays will occur at the provider level.

Copay range \$1 to \$35 per service

# State Budget Medi-Cal Impacts

## State Budget Impacts on customers without Satisfactory Immigration Status

Impacts to customers 19 and older who are not pregnant without Satisfactory Immigration Status are as follows:

- Will continue to receive full scope Medi-Cal until they are discontinued.
- After January 1, 2026, if discontinued for <u>any reason</u>, or applying for Medi-Cal, will be denied full scope and will only be eligible to restricted Medi-Cal.
- After July 1, 2026 will no longer be eligible for dental care.

Additional Impact to customers 19-59 who are not pregnant without Satisfactory Immigration Status are as follows:

Will pay a premium of \$30 per month.

### Asset limits for Medi-Cal Customers

Customers who receive Medi-Cal based on being 65+, disabled or being in long-term care will be subject to asset limits beginning January 2026.

- The asset limit is \$130,000 for one person and \$65,000 per additional household member
- Assets include bank accounts, cash, and anything over one home and one vehicle
- Assets that don't count include the home you live in, one vehicle, household items, and retirement accounts
- Assets will be reviewed at application or next renewal after January 2026

# Thank You

# Questions?