

# PHAB Presentation: DHS Director 2025 Review and 2026 Priorities

December 4, 2025



# 2025 Landscape Change

## Federal & State Context: Overview of Impacts

- H.R.1.
  - Reduced access: health care, reproductive care, food
  - Reduced funding: public health infrastructure, nutrition education, overall safety net
  - Affects low- and middle-income individuals & families, immigrants
- Fewer Flexible Funds
- Statutory & Administrative Rule Changes
- Legal Ambiguity

# CalFresh / SNAP Statutory Changes (January 1, 2026)

- All Able-Bodied Adults Without Dependents (ABAWD) subject to work requirements (exemptions apply)
- Populations impacted by exemption changes:
  - Individuals age 54 to age 64
  - Families with a child under 18 (changes to a child under 14)
  - **Homeless** individuals
  - Veterans
  - Youth under 24 and aged out of Foster Care at age 18
- Ineligible Non-Citizens

# Impacts of CalFresh / SNAP Changes in Sacramento County

About 269,700 people are on CalFresh. About a fifth may be affected by the changes.

Population	Count	% of Total	Notes
<b>Able-bodied Adults without Dependents</b>	16,025	~6%	Reflects those who do not currently report an exemption
<b>Homeless individuals; Veterans; Former foster care youth under age 24</b>	10,190 166 244	~4%	These individuals previously qualified for an exemption; they will no longer automatically qualify
<b>Ineligible Non-Citizens</b>	29,322	~11%	Includes refugees, parolees, asylees, trafficking survivors losing eligibility
<b>Remaining Populations Not Impacted</b>	213,753	~79%	Includes all who qualify for an exemption or were not required to meet work requirements

# Medicaid / Medi-Cal Statutory Changes

(January 1, 2026 /  
January 1, 2027)

- Eligibility/Cost Sharing
  - Reinstatement of the asset limit (1/1/26)
  - Retroactive coverage reductions
  - Work requirements for Medicaid Expansion Adults
  - 6-month redetermination for Medicaid Expansion Adults under 138% of Federal Poverty Level (FPL)
  - Cost sharing for Medicaid Expansion Adults above 100% the FPL (10/1/28)
- Coverage Changes for Non-Citizens
  - Enrollment freeze for undocumented adults ages 19+ (1/1/26)
  - Monthly premiums for undocumented adults ages 19-59
  - Refugees, parolees, asylees, trafficking survivors and other humanitarian groups will no longer qualify for Medi-Cal (10/1/2026)

Fiscal Year	2025-2026	2026-2027	2027-2028	2028-2029
Medi-Cal Eligibility	<b>January 1, 2026</b> Reinstatement of the asset limit.	<b>January 1, 2027</b> Redetermine eligibility for Medicaid expansion adults every six months.  Retroactive Coverage reduction to 1 month for Medicaid expansion adults and 2 months for other Medicaid enrollees.		<b>October 1, 2028</b> Cost sharing of up to \$35 per service for Medicaid expansion adults.
Medi-Cal Undocumented	<b>January 1, 2026</b> Freeze of Medi-Cal enrollment for undocumented aged 19 and older.	<b>January 1, 2027</b> Undocumented monthly premiums \$100 per month for those aged 19 and older.		
Medi-Cal Work/Community Engagement Requirement		<b>January 1, 2027</b> Implement mandatory work requirements for Medicaid expansion adults.	<div>State has option to delay implementation until 12/31/28, with federal approval</div>	
Covered California Enhanced Premium Tax Credits	<b>December 31, 2025</b> Enhanced premium tax credits expire.			

# Impacts of Medicaid / Medi-Cal Changes in Sacramento County

About 510,200 people are on Medi-Cal. More than half may be affected by the changes.

Population	Count	% of Total	Notes
Medicaid Expansion Adults	205,536	40%	Subject to work/community engagement requirements; 6-month redeterminations
Undocumented	30,882	6%	Enrollment freeze for adults 19+; monthly premiums for ages 19–59
Ineligible Non-Citizens	26,482	5%	Includes refugees, parolees, asylees, trafficking survivors and other humanitarian groups losing eligibility
Remaining Populations	247,300	48%	Includes children, seniors, disabled, and other eligible groups

We estimate that up to 80,000 to 100,000 people in Sacramento County could lose health coverage.



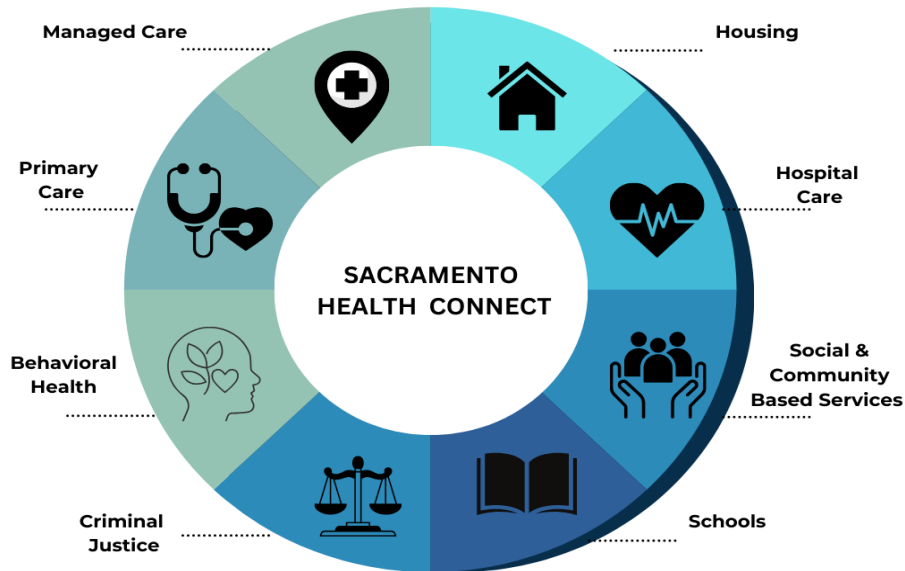
# Impacts to Public Health Services

- Targeted Reduction of \$26.8M to Post COVID-19 Grants
  - COVID-19 Immunization
  - COVID-19 Reducing Health Disparities
  - Epidemiology and Lab Capacity
- Program Eliminations
  - Supplemental Nutrition Assistance Program-Education (SNAP-Ed) (\$2,207,438)
- Ongoing Funding Reduction in Federal Allocation
  - Public Health Emergency Preparedness (PHEP): 30% reduction (\$1,365,850 for 25/26 allocation)
  - Hospital Preparedness Program: 34% reduction (\$278,943 for 25/26 allocation)
  - Immunization Assistance Program: 15% reduction (\$347,544 for 25/26 allocation)
- Impacts to Staff & Subcontractors
  - Subcontracted services winding down and a freeze on new contracts is in place
  - Hiring freeze and reduction of 9 positions allocated to SNAP-Ed/PHEP and early termination of 14 limited term positions allocated to post COVID-19 grants

# Initiatives and Projects for 2026 and Beyond

- Sacramento Safety Net Alliance Workgroups
  - Healthcare
  - Food Security
  - Work Requirements
- Behavioral Health Services Act – Including Public Health Prevention Funding
- BH CONNECT and System Updates
- BH Youth Facility / Psychiatric Rehabilitation Facility (PRF)
- Adult Correctional Health and Mays Consent Decree
- Sacramento Health Connect / Social Health Information Exchange

# SHIE Purpose: Cross-sector data integration and system linkage



- Improved **care coordination** between Health, Housing, and Social Service providers for Medi-Cal and Uninsured populations, including **CalAIM** and **Justice Involved** services and transition support
- Increased **program enrollment** by facilitating eligibility determination and connections
- Stronger **analysis** for program planning and evaluation to improve individual outcomes and reduce health inequities
- **Alignment with the State's goals** of broader data sharing between health and social services