

**Department of Health Care Services
Proposed Trailer Bill Legislation**

FACT SHEET

Issue: Policy Changes Related to Individuals with Unsatisfactory Immigration

Status. The Department of Health Care Services (DHCS) proposes to: 1) implement an enrollment freeze on state-only full scope Medi-Cal coverage for otherwise eligible undocumented adults 19 years and older, no sooner than January 1, 2026; 2) eliminate, effective July 1, 2026, dental services and, effective January 1, 2026, long term care services, specifically skilled nursing facility (SNF) services, for all individuals with unsatisfactory immigration status 19 years of age and older; and 3) implement monthly premiums of \$100 per member for individuals who are 19 years of age and older and non-pregnant, and are enrolled in state-only full scope Medi-Cal with unsatisfactory immigration status, no sooner than January 1, 2027. These changes shall be implemented after the Director of DHCS determines that systems have been programmed for implementation.

Background: Under federal Medicaid law, federal financial participation is limited to emergency and pregnancy-related services for individuals who do not have satisfactory immigration status. Historically, California has covered certain populations that do not have satisfactory immigration status in state-only full scope Medi-Cal, including qualified non-citizens who have not met the five-year bar established by the federal Personal Responsibility and Work Opportunity Act that restricts qualified non-citizen immigrants from receiving certain federal benefits, and individuals claiming Permanent Residence Under the Color of Law (PRUCOL).

Over the last decade, California has expanded state-only full scope Medi-Cal to individuals of all ages regardless of immigration status through the following legislative history:

SB 75 (Committee on Budget and Fiscal Review, Chapter 18, Statutes of 2015, SEC. 33-35), in part, authorized full scope Medi-Cal benefits for children under age 19, who would otherwise be eligible for Medi-Cal except for satisfactory immigration status.

SB 104 (Committee on Budget and Fiscal Review, Chapter 67, Statutes of 2019, SEC. 8), in part, provided full scope Medi-Cal coverage to all eligible individuals, ages 19 through 25, regardless of their citizenship or immigration status.

AB 80 (Committee on Budget, Chapter 12, Statutes of 2020, SEC. 48) required the expansion of Medi-Cal full-scope coverage of individuals who are 65 years of age or older, and who do not have satisfactory immigration status to be prioritized for inclusion in the state budget for Fiscal Year 2021-22, if the Department of Finance projected a positive ending balance in the Special Fund for Economic Uncertainties for the upcoming fiscal year and each of the ensuing three fiscal years that exceeds the cost of providing such services.

AB 133 (Committee on Budget, Chapter 143, Statutes of 2021, SEC. 365), in part, expanded eligibility for full scope Medi-Cal to individuals who are 50 years of age or older, regardless of citizenship or immigration status, if otherwise eligible.

SB 184 (Committee on Budget and Fiscal Review, Chapter 47, Statutes of 2022), in part, extended full-scope Medi-Cal coverage to individuals ages 26-49, regardless of immigration status.

Justification for the Change: To address the State’s budget shortfall, DHCS is proposing trailer bill language that would:

- Define the new benefit package for UIS individuals as “limited scope” rather than full-scope Medi-Cal (Welfare & Institutions Code (WIC) section 14007.5(b)).
- Define “newly qualified immigrant” as qualified non-citizens that are subject to the five-year bar (WIC section 14007.5(c)).
- Make technical and conforming changes update cross-references (WIC sections 14007.5 proposed (f), proposed (h)-(k), 14007.2(a), 14007.65(b), 14007.7, 14007.8(a)(2)(C) and (a)(3), proposed (f), proposed (i), and 14184.200(b)(2)(A)).
- Require monthly premiums of \$100 per member for individuals who are 19 years of age and older and non-pregnant and are enrolled in state-only full scope Medi-Cal with unsatisfactory immigration status (i.e. qualified non-citizens that have not met their five-year bar, individuals claiming PRUCOL, and otherwise eligible undocumented individuals), no sooner than January 1, 2027. If an individual does not pay the monthly premium, after no more than 90 days of nonpayment, they will only be eligible for medically necessary emergency and pregnancy-related services, as defined in federal law (WIC sections 14007.5(d) and 14007.8(k)).
- Requires that all outstanding premium balances must be paid in full as a condition of reinstatement for Medi-Cal coverage (WIC sections 14007.5(d) and 14007.8(k)).
- Eliminate dental services for all individuals with unsatisfactory immigration status, 19 years of age and older no sooner than July 1, 2026, except for the treatment of an emergency medical condition and medical care directly related to the emergency, as defined in federal law (WIC sections 14007.5(m) and 14007.8(l)).
- Eliminate long-term care services for individuals who are 19 years of age and older, specifically SNF services, for all individuals with unsatisfactory immigration status no sooner than January 1, 2026, except for the treatment of an emergency medical condition and medical care directly related to the emergency, as defined in federal law (WIC sections 14007.5(k) and (n), 14007.65, and 14007.8(m)).
- Authorize DHCS to implement, interpret or make specific these changes through plan or county letters or other similar instructions (WIC section 14007.5(o)).
- Require these changes to be implemented only after the DHCS Director determines and communicates in writing to the Department of Finance that systems have been programmed (WIC sections 14007.5(q) and 14007.8(o)).

- Freeze enrollment on state-only full scope Medi-Cal coverage for otherwise eligible undocumented adults 19 years and older, no sooner than January 1, 2026. Individuals who lose coverage will not be redetermined and will only be eligible for medically necessary pregnancy-related or emergency services, as defined in federal law. The enrollment freeze excludes qualified non-citizens that are subject to the five-year bar and individuals claiming PRUCOL (WIC section 14007.8(b)-(d)).

Estimate Issue # and Title:

PC 212: Eliminate LTC Benefit for UIS Members;

PC 220: Premiums for Adults with Unsatis. Immig. Stat.;

PC 221: Full-Scope Medi-Cal Expansion Enrollment Freeze; and

PC 226: Eliminate PPS for UIS Members