**Say “No” to Cutting Coverage and Benefits for Immigrants, Seniors, and Disabled Individuals in Medi-Cal**

**California’s budget deficit cannot be solved by creating Medi-Cal eligibility exclusions or cutting benefits.** Governor Gavin Newsom’s FY 2025-26 revised budget proposes to solve California’s budget deficit by balancing the budget on the backs of the state’s seniors, disabled and poor, undocumented residents. Instead of proposing bold revenue solutions or tackling the real culprit, corporate greed in health care, the May Revise includes cruel and short-sighted proposals that will worsen health outcomes and increase health care costs for all of us by:

* **Instituting a mandatory Medi-Cal enrollment freeze for undocumented immigrants age 19 and older** – restricting access to California’s vital safety-net for future generations.
* **Imposing a $100 monthly health care premium for adults age 19 and older with unsatisfactory immigration status** – resulting in a cut of 7.5% to the income of a family of four, the practical effect being to lock families out of health care.
* **Denying access to dental care and long-term care for immigrants without satisfactory status –** for 1.6 million Californians. California first eliminated dental benefits in Medi-Cal during the Great Recession, and community members [reported](https://ca-open.org/wp-content/uploads/2020/11/Hanging-By-a-Thread.pdf) that their families skipped meals to pay for dental care. Seniors had to scrape together what little cash they had for poorly made dentures that gave them mouth sores. Similarly, elderly immigrants who worked their whole lives in backbreaking agricultural, cleaning and food service jobs that benefit our state, should not be denied access to long-term care and assistance as they age.
* **Reinstating the Medi-Cal asset limit ($2,000 for a household and $3,000 per couple) –** a move that will lead to widespread health insurance terminations as older adults and people with disabilities will need to prove their assets and bank accounts every year.

**Cutting coverage and benefits for enrollees is short-sighted and will contribute to poor health outcomes and increased healthcare costs for all of us.** Health care is one of the most pressing affordability issues facing Californians. High health care costs in California mean preventable hospitalizations are costly, both to the people and communities impacted and to everyone who pays for healthcare. Medi-Cal is the state’s most effective health care access and anti-poverty program.[[1]](#footnote-1) Every dollar invested in Medi-Cal strengthens our communities and California’s economy. **The program provides vital no-cost health services including access to preventive care.** California must stay true to our values. We know that we are all healthier when everyone is covered and can access the care they need. If preventable hospitalization rates for Medi-Cal beneficiaries were reduced to those of private insurance, over $437 million in costs could be saved per year.[[2]](#footnote-12336) **Any cuts to Medi-Cal will make California less affordable and less healthy.**

**Medi-Cal provides access to health care for one in three Californians and over half of all children, who will suffer from cuts to their health care coverage or benefits:**

* Medi-Cal exclusions led to delayed and deferred care, as well as preventable hospitalizations and other avoidable cost drivers. This caused low-income, uninsured Californians to live sicker and die younger from illnesses that could have been prevented while also putting an undue strain on our broader healthcare system.
* Families are suffering from high costs of living, and Medi-Cal helps families afford other basic necessities. It blunts the impact of high health care costs for families, enabling them to pay their rent, buy food, and avoid crushing medical debt.
* Economic downturn is on the horizon, and Medi-Cal stabilizes California families during times of economic hardship. Cuts to Medi-Cal will be passed on to Californians in other ways. When fewer people have health coverage, more people are forced to seek expensive emergency care, and the cost of health care goes up for everyone.
* Legislators must find cost savings that do not impact coverage or benefits for the 1.6 million Californians that depend on full-scope Medi-Cal to keep them healthy. A majority of California communities continue to be plagued by preventable health disparities, and any change to coverage or benefits will continue to lock in poor health outcomes for those communities.

**California must address the primary cost drivers that are negatively impacting Medi-Cal and Medicaid programs nationwide:** California recently joined other states like Pennsylvania ($2.5 billion) and Indiana ($1 billion) in projecting higher than expected Medi-Cal costs ($6.2 billion). Higher health care costs will not be fixed by throwing Californians off health care coverage. Policymakers must address other cost drivers, including rising health care costs generated by hospital and nursing home care, high prescription drug costs and other extraordinary cost pressures in Medi-Cal following the pandemic. California is home to 11 of the 19 highest priced hospitals in the country. In California, each hospitalization of a patient for a potentially preventable cause, adds up to $10,700 in excess costs to the state’s health care system; costs that are passed onto programs like Medi-Cal. Additionally, while California can’t control our growing aging population, it can address some of the costs associated with this, for example, by providing services that allow people to stay in their homes rather than be institutionalized.

**California must also work to create a more equitable revenue system for California to support essential safety net care, rather than buckling in the face of federal threats.** The Trump administration and Congress are threatening to make deep cuts to California’s safety-net programs at a time when Californians are still reeling from the fiscal impacts of the Southern California wildfires, amongst other pressing challenges. California’s state leaders must act boldly by raising revenues — including eliminating tax breaks for the wealthy and profitable corporations — and investing in programs that help all Californians thrive. The budget should reflect the promise of the California dream — ensuring every California family has access to affordable health care so they can thrive.

**The Legislature must REJECT Governor Newsom’s proposed Medi-Cal eligibility exclusions and benefit cuts proposed in the May Revision!**

1. “The Impact of Health Insurance on Poverty in California,” by Caroline Danielson, Patricia Malagon, and Shannon McConville. Policy Brief, Public Policy Institute of California, March 2023. <https://www.ppic.org/publication/the-impact-of-health-insurance-on-poverty-in-california/> [↑](#footnote-ref-1)
2. “The High Cost of Inequity: How Preventable Hospitalizations Harm Californians,” CPEHN, April 2025. <https://cpehn.org/assets/uploads/2025/05/Preventable_Hospitalizations_Report_042025_UPDATED.pdf> [↑](#footnote-ref-12336)