

California Must Act Now to Protect Full-Scope Medi-Cal for H.R. 1 Populations

Background:

Governor Newsom's FY 2026-27 proposed budget will strip full-scope Medi-Cal from approximately 200,000 immigrants who are survivors of domestic violence, trafficking and other traumas.¹ Despite being framed as a new federal policy, this proposal would reverse multiple decades-long state commitments, enshrined in state law, to care for these populations. California policymakers must act now to protect these vulnerable populations and maintain Medi-Cal coverage for all immigrants.

California's Response to 1996 Welfare Reform:

Prior to 1996, lawfully present immigrants generally had full Medicaid eligibility equal to native-born citizens. In 1996, the federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWOR) instituted a waiting period for green card holders, often referred to as the "5-year bar". Some immigrants, including refugees and asylees, are exempt from the 5-year bar. Since 1996, California has ensured that lawfully present immigrants in California here less than five-years and individuals who are permanently residing in the U.S. under color of law (PRUCOL), continued to have access to full-scope Medi-Cal using state funding to replace what had previously been federal funding for these individuals. In 2014, California expanded state-only coverage to ACA expansion adults.² California also passed a law in 2006, to ensure immigrant survivors of human trafficking, domestic violence, and other serious crimes may receive state and local benefits under the same rules that apply to refugees. **These laws remain on the books today and cover all immigrants specified in Section 1641(b) of Title 8 of the United States Code.**³

H.R. 1 Immigrant Eligibility Restrictions in Medi-Cal:

Individuals Impacted:

- Individuals resettled in California as refugees
- Individuals granted asylum or withholding of removal
- Individuals paroled into the US (after completing the five-year bar)
- Survivors of domestic violence with a pending or approved VAWA application (after completing the five-year bar)
- Afghan or Iraqi Special Immigrant Visa holders
- Survivors of trafficking with a pending or approved T visa or continued presence
- Certain Native Americans who are not USCs or LPRs

Context:

In July 2025, Congress passed H.R. 1, which removes certain immigrants from 42 U.S.C. § 1396b(v)(1), ending the federal funding that states receive for enrolling these individuals in Medicaid.

However, the law did not alter the definition of "qualified" immigrant in Section 1641(b) of Title 8 of the United States Code, which includes these immigrants. This means that **state law requires California to provide full-scope Medi-Cal coverage**. This includes non-emergency dental and without imposing premiums, if these individuals are beyond or exempt from the 5-year bar.

California Must Take Action Now:

Governor Newsom is proposing that California undo a decades-old commitment and strip extremely vulnerable, lawfully present immigrants from full-scope Medi-Cal, almost immediately to score projected savings of \$786 million in 2026-27 and \$1.1 billion ongoing. This would mean that approximately 200,000 refugees, survivors of trafficking, crime victims, and others will lose access to their doctors, therapists, medications, and other supports.

Those who have endured and survived the extreme hardships of war, refugee camps, trafficking, sexual and physical violence, and discrimination often have complex medical needs. These can include treatment for severe injuries, chronic health care conditions, malnutrition, PTSD, and much more. Medi-Cal is a lifeline for those who have survived conditions most of us cannot fathom.

[1] CalHHS Presentation: President Trump's "Big Beautiful" Bill, slide 24: <https://www.chhs.ca.gov/wp-content/uploads/2025/07/CalHHS-Merged-HR1-Slides-7.19.25.pdf>

[2] California Code, Welfare and Institutions Code - WIC § 14007.5

[3] California Code, Welfare and Institutions Code - WIC § 18945