

Protect Medi-Cal Series 2025: Health Services and Coverage for Pregnant People

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California's Medicaid program (Medi-Cal) provides a critical investment in the health of Californians. Medi-Cal coverage and services are tailored to meet the unique needs of low-income individuals and families and provide the most affordable coverage. If Medicaid cuts are enacted, states like California will lose billions of dollars in federal Medicaid funding, shifting financial responsibility for Medicaid services to the states and to enrollees. The loss of billions of dollars in federal Medicaid funding will invariably lead to cuts in services and the loss of affordable coverage. This issue brief explains why Medi-Cal is so critical for pregnant people in the state, and explains how they would be harmed by Medicaid funding caps and cuts.

Why Medi-Cal is important for pregnant people:

- Medi-Cal provides coverage to 7.9 million people who are capable of becoming pregnant, roughly 2.1 million of whom are in their reproductive years (ages 18-49).¹ Through Medi-Cal's Presumptive Eligibility program, pregnant people are able to start receiving immediate, same-day coverage at specific registered clinics and hospitals.² Pregnancy-based Medi-Cal provides 12 months of continuous coverage after the end of the pregnancy, regardless of how the pregnancy ends.³ California provides Medi-Cal for all eligible pregnant people who reside in the state regardless of immigration status, including people who are undocumented.⁴
- Medi-Cal helps ensure positive pregnancy and post-pregnancy health outcomes. Medi-Cal helps ensure that people with ovaries in their reproductive years have access to comprehensive health care to help those who plan to become pregnant stay healthy before and throughout their pregnancies. Such services include gestational diabetes services and supplies, medication assistance treatment for pregnant people with substance use disorder, behavioral health services, and more. For those who become pregnant and choose to continue their pregnancies, Medi-Cal provides comprehensive coverage during the perinatal period including prenatal care, labor and delivery, postpartum care, doula care, and midwifery care, as well as medically necessary services such as prescriptions, laboratory services, dental services. Medi-Cal

offers abortion coverage for pregnant enrollees who choose not to continue their pregnancies. Medi-Cal also covers comprehensive sexual and reproductive health services, including access to family planning services to allow people to space out their pregnancies, which lead to improved outcomes for those who become pregnant later.

• Medi-Cal helps ensure positive infant and child health outcomes. Medi-Cal finances 40% of all births in California. Infants born to pregnant people with Medi-Cal at the time of birth are automatically "deemed eligible" for Medi-Cal and remain eligible until they turn a year old. Research has shown that early access to Medicaid coverage during childhood results in better long-term health and achievement for children as they grow into adulthood. Medi-Cal also provides access to comprehensive prenatal care during pregnancy, which can help reduce the risk of future health complications for infants such as fetal alcohol spectrum disorders and neural tube defects. Moreover, increased health coverage for parents, including Medi-Cal coverage, corresponds to increased rates of health coverage for their children.

How funding cuts would harm pregnant people:

- Funding cuts threaten coverage for millions of pregnant people and infants. Block grants and per capita cap proposals would reduce the amount of federal funding available to California, and drastically shift costs to the state. ¹⁴ This cost shift will worsen over time because under per capita caps, the per-person federal funding allocation would likely increase more slowly than the actual health care costs for pregnant enrollees and their children. Faced with less funding, California could be forced to scale back its more generous income eligibility limits for pregnant people or roll back its 12-month postpartum extension, as well as discontinue coverage for pregnant people who are undocumented or lack satisfactory immigration status.
- Funding cuts could pressure the state to reduce critical services for pregnant people. If faced with an underfunded Medi-Cal budget, California may be forced to reduce the services available to pregnant people, including innovations in pregnancy-related care. For example, the state could eliminate coverage for doula care, a critical benefit that was included in California's State Plan Amendment for doula services in 2023.¹⁵

Conclusion

The Medicaid program is designed to give states wide flexibility in designing and implementing their own programs to meet the health needs of their residents. California has done just this with its Medi-Cal program, and in particular provides a wide range of services to help ensure and improve the health of pregnant people and infants. The cuts to Medicaid that have been proposed by Congress and the Trump administration would shift costs to California in such a way as to obligate the state to make very difficult budget choices about services and programs to cut, or coverage to roll back. This would have devastating impacts on pregnant people enrolled in Medi-Cal, who rely on the program to become and stay healthy. As of this writing, it remains unclear what the 2025 Congress and Trump administration are specifically planning with respect to the Medicaid program. However, advocates and stakeholders in California must be ready to reject federal funding cuts or barriers that deter enrollment, and to ensure that pregnant people in Medi-Cal continue to have access to high-quality, affordable, and comprehensive health care that meets their needs.

ENDNOTES

<u>5543BF643D9D/presumproc.pdf?access_token=6UyVkRRfByXTZEWIh8j8QaYylPyP_5ULO.</u>

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10 42 U.S.C. § 1396a(e)(4).

¹¹ SEE MICHEL H. BOUDREAUX ET AL., THE LONG-TERM IMPACTS OF MEDICAID EXPOSURE IN EARLY CHILDHOOD: EVIDENCE FROM THE PROGRAM'S ORIGIN, 45 J. HEALTH ECON. 161 (Nov 2015) https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4785872; SARAH MILLER ET AL., THE

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² 42 C.F.R. § 435.1110; Cal. Welf. & Inst. Code § 14011.66; Cal. Dep't Health Care Servs., Medi-Cal Provider Manual, Presumptive Eligibility for Pregnant People Program Process, https://mcweb.apps.prd.cammis.medi-cal.ca.gov/assets/8DB0E4B2-6A1D-44FF-8FBD-

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