



Medi-Cal Timeline: OBBBA and CA Budget Implementation Changes

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The timeline below consolidates the effective dates for specified provisions under the "[One Big Beautiful Bill](#)" Act¹ and the [FY 2026 California state budget](#) that impact the Medi-Cal Program.

OBBBA: California Budget

Effective Date	Provision / Source	Guidance, Regs, Sunsets, Grandfathering
7/4/25 (effective upon enactment): Moratoria on the two-part eligibility & enrollment final rule. (See MEDIL I 25-18)	MSPs: 42 CFR §§ 406.21(c); 435.4; 435.601; 435.911; 435.952 Eligibility & Enrollment: 42 CFR §§ 431.213(d); 435.222; 435.407; 435.907; 435.911(c); 435.912; 435.916; 435.919; 435.1200(b)(3)(i)-(v); 435.1200(e)(1)(ii); 435.1200(h)(1); 447.56(a)(1)(v); 457.344; 457.960; 457.1140(d)(4); 457.1170; 457.1180	Sunsets on 9/30/34 Note: In CA, the following are in effect: * ACWDL 10-04 ; 10-04E ; ACWDL 24-20 , MEDIL 25-01 *Elimination of requirement to apply for other benefits (ACWDLs 24-19 & 25-03)
7/4/25 (effective upon enactment): Defunding Planned Parenthood and other "prohibited entities."	Listed sections of title XIX of SSA; 42 U.S.C., See (71113)	Sunsets after 1 year
7/4/25 (effective upon enactment): New State Directed Payments subject to	State Directed Payments 42 CFR § 438.6(c)(2)(iii)	State plan rate applies if there is no published Medicare payment rate

¹ This chart does not contain all changes under the OBBBA, including reductions in state funding, State Directed Payments, and Provider Taxes. We will update the chart as necessary.

limit on provider rates not to exceed 100% of Medicare (expansion) or 110% of Medicare.		(e.g., adult dental)
9/25-11/5/25: Application period for rural hospitals seeking financial help through the Rural Health Transformation Fund	42 U.S.C. § 1397ee(h)	FY2026-FY2030: Funding allotted to states by CMS Note: States can only apply once. Awardees announced by 12/31/25.
1/1/26: Emergency-only Medicaid based on regular reduced FMAP, not 90% match.	42 U.S.C. § 1396d(kk)	Only applies in expansion states.
1/1/26: Enrollment “Lock Out” for Undocumented Adults (19+ years) begins. *Only applies to applications submitted on or after 1/1/26.	Welf. & Inst. Code § 14007.8; Welf. & Inst. Code § 14007.5	<u>ACWDL 25-13</u> Note: Includes 90-Day Expansion Grace Period to reinstate
1/1/26: Asset test returns for non-MAGI enrollees.	Welf. & Inst. Code § 14005.62(a)(1)	<u>ACWDL 25-14</u> \$130,000 + \$65,000/additional person
7/1/26: Adult dental ends for UIS population aka “Full Scope Medi-Cal with No Dental” coverage	Welf. & Inst. Code § 14007.5(l)	Undocumented, lawfully present including newly qualified under the 5-year bar, PRUCOL, and TCVAP
10/1/26: Full Scope Medicaid limited to citizens, LPRs, certain Cuban/Haitian Entrants, and COFA. *CA retains coverage of	42 U.S.C. § 1396b(v)	CA: Undocumented, lawfully present including newly qualified under the 5-year bar, PRUCOL, and TCVAP excluded, except: *Those enrolled in Medi-

pregnant people and children in Medi-Cal and CHIP.		Cal prior to 1/1/26 can retain Full-Scope Medi-Cal with No Dental *All others may access Emergency Medi-Cal.
1/1/27: Work requirements begin for MAGI Medi-Cal adults.	42 U.S.C. § 1396a(xx)	6/1/26: CMS guidance expected. California must send notices to expansion adults 3 months after WRs begin and “periodically” thereafter. Note: 1/1/28: Last possible implementation date if HHS Secretary provides a one-time good faith extension
1/1/27: Retroactive coverage for Medi-Cal reduced to 1 month for MAGI; 2 months for all other categories	42 U.S.C. § 1396a(a)(34)	
1/1/27: DHCS must submit plan process to “regularly” obtain address information.	42 U.S.C. § 1396a(a)(A)	Note: CA has already implemented core parts of this requirement (ACWDL 25-06), but will need to update on some requirements. Errata pending. *By 10/1/29, HHS Secretary must establish national system to prevent simultaneous enrollment.

1/1/27: Redeterminations are processed every 6 months for Medicaid expansion enrollees. *Applies to redeterminations scheduled on/after 12/31/26	42 U.S.C. § 1396a(e)(14)	12/31/25: CMS Guidance due by 12/31/25.
1/1/27: DHCS/Counties must do quarterly screenings against Death Master File and disenroll identified enrollees.	42 U.S.C. § 1396a(ww)	*Counties must reinstate if terminated in an error.
7/1/27: UIS population ages 19-59 years must pay \$30 monthly premium	Welf. & Inst. Code § 14007.5(e)	
1/1/28: Home equity limit for LTC caps at \$1M, excluding homes on certain ag lots.	42 U.S.C. § 1396p(f)(1); 42 U.S.C. § 1396a(r)(2)	*Capped regardless of inflation.
7/1/28: States have the option to expand their HCBS programs upon CMS approval	42 U.S.C. § 1396n(c)	
10/1/28: Cost sharing for services to MAGI enrollees with income above 100% FPL required. *Amount must be greater than \$0, but not exceed \$35. (Amount in CA is TBD)	42 U.S.C. § 1396o	Note: Total amount for household capped at 5% of family income on a quarterly or monthly basis, to be decided by the state – CA TBD.) *No premiums, enrollment fees, or similar charge