



Timeline of Recent Covered California Changes

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The timeline below consolidates the effective dates for specified provisions under the so-called "One Big Beautiful Bill" Act and the Marketplace Final Rule that impact the Covered California marketplace. This timeline was updated in July 2026 to incorporate recent litigation changes.

OBBBA: Marketplace Final Rule

Provision	Legal Authority	Effective Date; Litigation Updates
DACA recipients excluded from definition of "lawfully present"	45 CFR § 155.20	Effective 8/25/25
At or below 150% FPL Special Enrollment Period (SEP) paused *See the OBBBA changes at 26 U.S.C. § 36B(c)(3)(A) below that eliminates this SEP.	45 CFR § 155.420(d)(16)	Effective 8/25/25
New coverage can be conditioned on payment of past-due premiums	45 CFR § 147.104(i)	Vacated due to June 2026 court order.
Income verification when tax data unavailable or sources indicate income <100% FPL	45 CFR § 155.320(c)(3)(iii) & 155.320(c)(5)	Vacated due to June 2026 court order.

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Ends automatic 60-day extension to resolve income inconsistency, reverting to the statutory minimum of 90 days to resolve data matching errors.	45 CFR § 155.315(f)(7)	Vacated due to June 2026 court order.
Ends automatic re-enrollment hierarchy *Covered CA is seeking CMS approval to continue the Bronze to Silver crosswalk	45 CFR § 155.335(j)(4)	Effective PY 2026
\$5 premium penalty applied to APTCs for enrollees with \$0 premium plans who fail to re-apply to renew coverage.	45 CFR § 155.335(a)(3) and (n)	Vacated due to June 2026 court order.
Covered CA must deny APTCs for failure to reconcile (FTR) for 1 year.	45 CFR § 155.305(f)(4); 45 CFR § 155.305((f)(4)(iii)	Vacated due to June 2026 court order. Note: OBBBA imposes a 1-year rule permanently starting PY 2028. (see below)
"Specified sex-trait modification procedures" prohibited as an EHB.	42 CFR § 156.115, 156.400	Effective 1/1/26 Covered CA is defraying the cost by covering with state funds.
Prohibits lawfully present non-citizens with incomes under 100% FPL (5-year bar) who are not eligible for Medicaid from qualifying for premium tax credits (PTCs)	26 U.S.C. § 36B(c)(1)(B)	Effective 1/1/26
Requires full repayment of excess advanced premium tax credits (APTCs) and rescinds prior caps for people up to 400% FPL	26 U.S.C. § 36B(f)(2)	Effective PY 2026 A "safe harbor" remains for people with actual income <100% FPL remains in place at 26 CFR § 1.36B-2(b)(6)(i).

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Prohibits eligibility for PTCs for individuals enrolled under income-based SEP	26 U.S.C. § 36B(c)(3)(A)	Effective PY 2026
Shorter open enrollment period for individual market coverage – OEP begins no later than 11/1 and ends no later than 12/31. Maximum duration of nine (9) calendar weeks. Covered CA's OEP for 2027 will run 11/1/26 – 1/31/27.	45 CFR § 155.410	Vacated due to June 2026 court order.
Limits non-citizen PTC eligibility to LPRs (green card holders), Cuban/Haitian entrants, and COFA migrants	26 U.S.C. § 36B(e)	Effective 1/1/27
Covered CA must deny APTCs for failure to reconcile for 1 year.	26 U.S.C. § 36B(c)(6)	Effective PY 2028
Pre-enrollment verification requirements apply for PTCs* *Household income, immigration status, health coverage/eligibility status, place of residence, family size, or other info determined by the Secretary of the Treasury	26 U.S.C. § 36B(c)	Effective 1/1/28 *Covered CA must provide HHS the process for pre-verification by 8/1/27.

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