



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](#)" Act 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 limit on provider rates not to exceed 100% of Medicare (expansion) or 110% of Medicare.	State Directed Payments 42 CFR § 438.6(c)(2)(iii)	State plan rate applies if there is no published Medicare payment rate (e.g., adult dental)
9/25-11/5/25: Application period for rural hospitals seeking financial help	42 U.S.C. § 1397ee(h)	FY2026-FY2030: Funding allotted to states by CMS Note: States can only

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through the Rural Health Transformation Fund.		apply once. Awardees announced by 12/31/25.
1/1/26: Emergency-only Medicaid based on regular FMAP, not 90% match.	42 U.S.C. § 1396d(kk)	Only applies in expansion states.
1/1/26: Full scope Medi-Cal 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 a 90-Day grace period to reinstate.
10/1/26: Federal funding for Medicaid limited to U.S. citizens, LPRs (who have met or are exempt from the 5-year waiting period), Cuban/Haitian Entrants, and COFA nationals. (i.e. "SIS") *CA retains full scope Medi-Cal coverage for all "UIS" enrollees enrolled prior to 1/1/2026. Their full scope coverage is maintained until 7/1/27.	42 U.S.C. § 1396b(v) Welf. & Inst. Code § 14007.5(c)	Note: Individuals eligible for federally funded Medi-Cal are considered to have Satisfactory Immigration Status (SIS). Those ineligible for federal Medi-Cal funding are considered to have Unsatisfactory Immigration Status (UIS) and are eligible for state-only funded Medi-Cal.
1/1/27: All UIS enrollees transition from Medi-Cal Managed Care to Medi-Cal Fee-For-Service (FFS).	Welf. & Inst. Code § 14007.8(e)	9/30/25: See CMS letter <u>SMD #25-003</u> , limiting federal financial participation (FFP) to UIS Medicaid enrollees for emergency services actually received. States cannot seek FFP for UIS enrollees' prospective services.
1/1/27: Work requirements and six month renewals	42 U.S.C. § 1396a(xx)	6/1/26: CMS guidance published in Interim

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begin for MAGI Medi-Cal adults. March 2027 renewal cohort are first to comply.	Welf. & Inst. Code § 14005.69	Final Rule (IFR), see 91 Fed. Reg. 33348. California must send notices to expansion adults 3 months after WRs begin and “periodically” thereafter. Note: Applies to federal and state-funded MAGI adults.
1/1/27: Retroactive coverage for MAGI Medi-Cal adults reduced to 1 month; 2 months for all other categories	42 U.S.C. § 1396a(a)(34) Welf. & Inst. Code § 14005.37(i)	CMS IFR 6/3/26
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 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) Welf. & Inst. Code § 14005.37(a)	See: CMS IFR 6/3/26 SMD # 26-001
1/1/27: DHCS/Counties must do quarterly screenings	42 U.S.C. § 1396a(ww)	*Counties must reinstate if terminated in an error.

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against Death Master File and disenroll identified enrollees.		
7/1/27: Asset limit reduced to \$21,000 for an individual Non-MAGI enrollee + \$1,550/additional person.	Welf. & Inst. Code § 14005.62(a)(1)	The asset limit of \$130,000 for an individual + \$65,000/additional person remains in effect until 7/1/2027 (ACWDL 25-14)
7/1/27: UIS population aged 19-59 and enrolled in full scope Medi-Cal must pay a monthly premium.	Welf. & Inst. Code § 14007.5(f)	*The premium amount will be set between \$30-\$50/month by the Governor by 5/14/27. *Premiums do not apply to foster and former foster youth under age 26, and pregnant persons during their pregnancy and 12-month post-pregnancy period.
7/1/27: Adult dental ends for UIS population aka "Full Scope Medi-Cal with No Dental" coverage	Welf. & Inst. Code § 14007.5(m)	*Dental cuts do not apply to foster and former foster youth under age 26, and pregnant persons during their pregnancy and 12-month post-pregnancy period.
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)	

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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