California Budget & Policy Center

# Timeline of Federal and State Funding Cuts to Medi-Cal and CalFresh in California

| Program | Policy Change | Primary Impact | Implementation Date | Federal/State | Scope of Impact |
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| CalFresh | Restricts internet expenses as allowable deductions for grant calculations | Reduces Benefits | **July 4, 2025** | Federal Policy | All CalFresh recipients |
| CalFresh | Restricts adjustment of the Thrifty Food Plan (TFP) | Reduces Benefits | **October 1, 2025** | Federal Policy | All CalFresh recipients, with most immediate impact on very large households |
| CalFresh | Eliminates the SNAP-Ed program | Reduces Program Scope | **October 1, 2025** | Federal Policy | CalFresh-funded nutrition education and obesity prevention programs |
| CalFresh | Limits the use of the Standard Utility Allowance (SUA) | Reduces Benefits | **November 1, 2025** | Federal Policy | CalFresh households that do not include a member over age 60 or who has a disability |
| CalFresh | Restricts time limit waivers to areas with unemployment rates over 10% | Reduces Access | **February 1, 2026** | Federal Policy | All able-bodied adults without dependents, including newly subject populations who were previously exempted |

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| CalFresh | Eliminates CalFresh food assistance for many lawfully present immigrants | Reduces Access | **April 1, 2026** | Federal Policy | About 74,000 refugees, asylees, humanitarian parolees, trafficking survivors, and other immigrants previously eligible under humanitarian protections |
| CalFresh | Expands restrictive time limits to additional CalFresh enrollees | Reduces Access | **June 1, 2026** | Federal Policy | Caretakers of children 14 and older, older adults, former foster youth, veterans, and people experiencing homelessness previously exempt |
| CalFresh | Reduces the federal contribution to annual CalFresh administrative costs and shifts the cost to states | Direct Budget Impact | **October 1, 2026** | Federal Policy | California state budget |
| CalFresh | Requires California to pay a portion of CalFresh monthly benefits * | Direct Budget Impact | **October 1, 2027** | Federal Policy | California state budget |
| Medi-Cal | Lowers cap on State-Directed Payments (SDPs) and cuts revenue for safety net providers | Reduces Program Scope | **July 4, 2025** | Federal Policy | Hospitals and clinics statewide |
| Medi-Cal | Defunds providers offering abortion services | Reduces Access | **July 4, 2025** | Federal Policy | Planned Parenthood and similar providers |

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| Medi-Cal | Blocks federal rule to improve access to Medi-Cal | Reduces Access | **July 4, 2025** | Federal Policy | Children, seniors, and people with disabilities |
| Medi-Cal | Ends coverage for GLP-1 drugs for weight loss | Reduces Benefits | **January 1, 2026** | State Policy | All Medi-Cal recipients |
| Medi-Cal | Freezes new Medi-Cal enrollment for undocumented adults | Reduces Access | **January 1, 2026** | State Policy | Undocumented adults ages 19 - 64 |
| Medi-Cal | Reduces Medi-Cal asset limits — $21,000 limit for individuals and $31,000 for couples | Reduces Access | **July 1, 2027** | State Policy | Adults age 65 and older, people with disabilities, and long-term care recipients |
| Medi-Cal | Cuts funding for Federally Qualified Health Centers (FQHCs) and rural health clinics | Reduces Access | **July 1, 2027** | State Policy | Clinics providing services to undocumented adults and certain other groups of immigrants |
| Medi-Cal | Eliminates full-scope Medi-Cal dental benefits for certain groups of immigrants | Reduces Access | **July 1, 2027** | State Policy | Undocumented adults and certain other groups of immigrants |
| Medi-Cal | Reduces federal match for emergency Medi-Cal and shifts more costs to the state | Direct Budget Impact | **October 1, 2026** | Federal Policy | California state budget |

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| Medi-Cal | Eliminates full-scope Medi-Cal coverage for many immigrants ** | Reduces Access | **October 1, 2026** | Federal Policy | Refugees, asylees, humanitarian parolees, trafficking survivors, and other immigrants with humanitarian statuses, excluding children, pregnant people, and foster youth |
| Medi-Cal | Introduces new restrictions on provider tax rates, which threatens the Managed Care Organization tax and Hospital Quality Assurance Fee | Direct Budget Impact | **January 1, 2027** | Federal Policy | Entire Medi-Cal program |
| Medi-Cal | Increases eligibility checks for the Affordable Care Act (ACA) expansion adults from once a year to twice a year | Reduces Access | **September 1, 2027** | Federal Policy | About 278,600 adults could lose Medi-Cal |
| Medi-Cal | Limits Medi-Cal retroactive coverage for adults | Reduces Access | **January 1, 2027** | Federal Policy | About 86,000 people per year would receive 1 month of retroactive coverage instead of 3 months |
| Medi-Cal | Imposes work reporting requirements on ACA expansion adults; the 2026 state budget extends them to certain adults enrolled in state-only funded Medi-Cal | Reduces Access | **January 1, 2027** | Federal Policy | About 1.1 million adults ages 19 - 64 could lose Medi-Cal |

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| Medi-Cal | Imposes a monthly Medi-Cal premium of at least $30 for certain groups of immigrants *** | Reduces Access | **July 1, 2027** | State Policy | Undocumented adults and certain other groups of immigrants ages 19 - 59 |
| Medi-Cal | Lowers the allowable provider tax rate which reduces Medi-Cal revenue | Direct Budget Impact | **October 1, 2027** | Federal Policy | Entire Medi-Cal program |
| Medi-Cal | Imposes mandatory cost-sharing for ACA expansion adults >100% FPL | Reduces Access | **October 1, 2028** | Federal Policy | Low-income adults |
| Medi-Cal | Implements new managed care provider payment limits **** | Direct Budget Impact | **October 1, 2028** | Federal Policy | Entire Medi-Cal program |

* Assuming the state complies with this **unfunded mandate,** this will require California to use General Fund dollars to pay up to 15% of total CalFresh benefits, previously fully funded by the federal government. If the state doesn't cover the cost of this portion of benefits, it will have to opt out of the program altogether, eliminating billions of dollars in annual federal food assistance and ending CalFresh as we know it.
** The 2026 Budget Act delays the elimination of full-scope Medi-Cal until July 1, 2027 and provides only restricted scope Medi-Cal afterwards.
*** The next governor is required to propose a monthly premium of between $30 and $50 in the 2027 May Revision.

**** Assuming that this cap will contribute to a reduction in the Hospital Quality Assurance Fee, which would then increase state General Fund costs to backfill a portion of the lost revenue.
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