

# LEGISLATIVE UPDATE



Week of April 13, 2026

State Issues	
<p>State Budget Update</p>	<p>On Wednesday, Senate Democrats released a new Budget proposal, aimed at setting the stage for the work the Legislature and Administration must do to develop a balanced state budget by July 1. Their "<a href="#">Foundation for the Future</a>," aims to "grow the state's rainy-day fund, rejects some cuts budgeted by the Governor, and increases funding of education, housing, and other programs." The Senate plan aims for a "balanced approach" to reduce future annual deficits with several billion dollars per year of new special fund revenues to be paid by certain large businesses and several billion dollars of additional cuts, "specifics [of which] ...will be developed through the budget process." You can find their press release <a href="#">here</a>. Their health proposals include:</p> <ul style="list-style-type: none"> <li>▪ Maintaining full scope Medi-Cal for asylees and others, despite no longer being eligible for federal funding.</li> <li>▪ Delaying implementation of dental programs that would otherwise be eliminated starting July 1, 2026, until January 1, 2028. This includes dental benefits for adults 19 and over, regardless of immigration status, and Prop 56 Dental Supplemental Payments.</li> <li>▪ Delaying reductions to clinics that would otherwise begin on July 1, 2026, until January 1, 2028, resulting in a temporary cost of \$1.1 billion in 2026-27 and \$565 million in 2027-28.</li> <li>▪ Delaying Medi-Cal premiums that would otherwise begin on July 1, 2027, until January 1, 2028, resulting in a temporary cost of \$125 million in 2027-28.</li> </ul> <p>Jason Sisney, the Speaker's chief Budget advisor, highlighted that Governor Newsom has been signaling to Assembly Democrats that more proposed cuts may be on the horizon. On Tuesday, April 14, POLITICO's Lindsey Holden and Eric He <a href="#">reported</a> that Governor Newsom told the caucus to expect more budget cut proposals, on top of those enacted in last year's budget, and those the Governor already proposed in January.</p> <p>Next steps on the budget front include continuing with Budget Subcommittee hearings on both the Senate and Assembly sides, with everyone looking towards the Governor's May Budget Revision set to come out in early May.</p>
<p>Legislative Women's Caucus' 2026 Priority Bill Package</p>	<p>The California Legislative Women's Caucus (LWC) recently announced its 2026 legislative package. The package includes 14 member-authored bills selected by a caucus-wide vote. It advances economic and social equity by supporting caregivers, strengthening women's rights and workplace protections, expanding safety-net programs, and promoting health and stability for vulnerable families. The package is organized around six core pillars: affordability; childcare and education; public safety and gender-based violence; healthcare access; support for vulnerable communities; and workplace and economic equity. There are two bills in the health care and health equity lens:</p> <p style="text-align: right;"><i>(more)</i></p>

<p>Legislative Women's Caucus (continued)</p>	<p><a href="#"><u>AB 1570 (Wilson) - Healthcare Coverage: Diagnostic Imaging</u></a>: AB 1570 will eliminate the patient's out-of-pocket costs for medically necessary diagnostic and supplemental breast imaging such as breast MRIs and ultrasounds, allowing for individuals to receive continued treatment to confirm a cancer diagnosis or rule it out. Currently, the out-of-pocket costs associated with breast imaging procedures can range from hundreds to thousands of dollars, deterring individuals from continuing their screenings as they must make significant financial sacrifices. This leads individuals to forgo further testing that can confirm or rule out cancer and in some cases is life-saving treatment.</p> <p><a href="#"><u>AB 2066 (C. Rodriguez) - Pregnancy - Qualifying Life Event</u></a>: AB 2066 ensures people can access prenatal coverage when they need it—not when an enrollment window allows it. This bill is about supporting healthy pregnancies and healthy families,” said Assemblywoman Celeste Rodriguez (D-San Fernando).</p>
<p>CHCF Funds Medi-Cal Reform Studies</p>	<p>As part of the <a href="#"><u>Future of Medi-Cal the California Commission</u></a>, the Health Care Foundation (CHCF) issued a <a href="#"><u>Call for Bold Ideas to Strengthen and Preserve Medi-Cal</u></a>. As you may recall, the commission is a 29-member independent body charged with delivering a 10-year roadmap to California's next governor in January 2027. CHCF invited leaders from across health care, policy, research, and community organizations to propose ideas for the program's future. Rather than incremental improvements, applicants were asked to imagine how Medi-Cal could evolve over the next decade to better serve Californians.</p> <p>CHCF received 132 proposals with submissions that reflected an interest in rethinking payment models, strengthening care coordination, leveraging new technology, and addressing the needs of people with complex health and social challenges. From these submissions, CHCF selected six concepts for further development. Each author team received financial support to expand its proposal into a full paper exploring the policy rationale, implementation considerations, and potential trade-offs of the idea.</p> <p><b>Why This Matters Now.</b> The health care ecosystem surrounding Medi-Cal is changing. Rising costs, demographic shifts, and uncertainty about federal Medicaid funding are putting new pressure on the program and raising fundamental questions about how it should evolve in the years ahead. These papers are intended to spark discussion, challenge assumptions, and broaden the range of policy options under consideration as California looks toward the future of Medi-Cal.</p> <p><b>Next Steps.</b> We can expect these submissions to be discussed at the next Future of Medi-Cal Commission meeting on May 28 in Oakland. Unfortunately, there is no agenda, location or time set for the meeting as of yet. Commission meetings are only held in person and are not livestreamed. None of the meetings to date have been set for Sacramento.</p> <p><b>The Proposals.</b> The following papers present six proposals for how Medi-Cal could evolve to better serve Californians in the years ahead. CHCF has made clear that the views expressed in the papers are those of the authors and do not necessarily reflect the views of CHCF.</p> <p style="text-align: right;"><i>(more)</i></p>

<p>CHCF Funds Medi-Cal Reform Studies <i>(continued)</i></p>	<p><b><u>Any Card, Any Provider: Unifying Medi-Cal's Networks and Administration:</u> Naman Shah, MD, PhD, Los Angeles County Department of Public Health.</b> Shah proposes separating administrative functions — such as claims processing and provider credentialing — from health plans so that Medi-Cal members can see any credentialed provider. The model would allow plans to compete on care quality and outcomes rather than network restrictions.</p> <p><b><u>Consideration of a Medicaid Per Capita Cap:</u> Beth Waldman and Mary Beth Dyer, Bailit Health.</b> Waldman and Dyer explore a shift from open-ended federal matching funds to a per capita cap model for Medicaid, examining how this approach could offer California greater policy flexibility and budget predictability as federal financing evolves.</p> <p><b><u>In-Home Supportive Services Integration into Medi-Cal Managed Care:</u> Chapman Consulting.</b> Chapman and Nye propose integrating In-Home Supportive Services (IHSS) into Medi-Cal managed care to improve care coordination and oversight while preserving recipient self-direction. The model aims to better align long-term services and supports with members' broader health needs.</p> <p><b><u>Multipayer Primary Care Payment Reform Model:</u> Rachel Tobey, MPA.</b> Tobey outlines a unified primary care payment model across Medi-Cal, CalPERS, and Covered California. The approach would align incentives, reduce administrative complexity, and support sustainable, team-based primary care.</p> <p><b><u>Partially Unified Financing: Covered California for Most:</u> Rick Kronick, PhD, University of California, San Diego.</b> Kronick proposes transitioning most Californians — including many currently enrolled in Medi-Cal — into Covered California plans. The model aims to create a more continuous and equitable coverage system while reducing fragmentation across programs.</p> <p><b><u>AI-Powered Advocates for Medi-Cal:</u> Nate Favini, MD; Neil Batlivala; Timi Leslie; Stephanie Thornton; Madison Olmsted, Pair Team.</b> Favini and Batlivala propose creating an AI “app store” for Medi-Cal — one where members choose to work with AI Advocates that proactively respond to rising risk levels and initiate outreach, navigation, and enrollment.</p>
<p>Health Care Coalition Opposes Proposed Changes to Immunization Policies</p>	<p>On April 9, the Centers for Disease Control and Prevention (CDC) published a significantly revised Advisory Committee on Immunization Practices (ACIP) charter. In response, more than 130 organizations nationwide responded to the proposed changes. The California Medical Association (CMA) and California Immunization Coalition joined the effort. The revised charter comes after a federal judge last month <b><u>blocked changes</u></b> to federal childhood vaccine recommendations and halted meetings of the reconstituted ACIP, finding that many of the newly appointed members were likely unqualified to serve.</p> <p>The coalition issued a <b><u>joint statement</u></b> warning that the revised charter could pave the way for an unqualified committee to promote misleading narratives about vaccine safety. It also raised concerns about the addition of new liaison organizations that have promoted false information about vaccines, including the debunked claim that vaccines are linked to autism.</p> <p style="text-align: right;"><i>(more)</i></p>

<p>Health Care Coalition Opposes Proposed Changes to Immunization Policies <i>(continued)</i></p>	<p>The <b>updated charter</b> broadens the types of expertise eligible for committee membership and changes how the committee operates, moves critics say appear designed to insulate the administration from future legal challenges. It also expands eligibility to include expertise in areas such as toxicology, pediatric neurodevelopment and “recovery from serious vaccine injuries,” while placing greater emphasis on studying possible vaccine harms and considering foreign vaccination schedules.</p> <p>“Taken together, these revisions will alter the focus of ACIP, potentially jeopardizing access to life-saving vaccines for Americans of all ages,” the coalition wrote in a joint statement. ACIP has historically held transparent, evidence-based discussions about vaccines that consider disease trends, clinical trial and real-world safety data, and implementation challenges. The committee’s recommendations are tied to federal vaccine coverage policies for Medicare, Medicaid, Tricare, the Veterans Health Administration and the Vaccines for Children program. The coalition is urging federal officials to ensure the committee remains focused on weighing the benefits and risks of vaccines and reducing illness and death from vaccine-preventable diseases.</p>
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