

Revised: 10/21/25

## What Changes are Coming to Medi-Cal?

This fact sheet is created for educational purposes only. The information presented is from a peer perspective and is not legal advice.

You will learn about upcoming Medi-Cal coverage changes affecting people with disabilities, including people with physical, developmental, intellectual disabilities and those with mental health conditions, substance use disorders and people receiving long term care. These changes will take effect in 2026 and 2027.

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### What is Medicaid?

The Peer Self-Advocacy Program does not provide legal advice.  
Contact Disability Rights California at 1-800-776-5746  
for the most up-to-date legal information.

Medicaid is the U.S. government's program that provides health insurance for low-income individuals and families. It is primarily managed by state governments, which have the flexibility to determine eligibility and benefits, with the federal government setting baseline standards. Medicaid is funded jointly by the federal and state governments, with the federal government contributing a significant portion of the program's costs.

## **What is Medi-Cal?**

Medi-Cal is California's version of Medicaid. It offers free and low-cost health coverage to eligible people who live in California.

The Department of Health Care Services (DHCS) oversees the Medi-Cal program. Your local county office manages Medi-Cal cases for DHCS.

## **How can I contact my county about my Medi-Cal?**

You can reach your local county office via online resources, or you can also call your local county office to get information and services.

Find a County Office:

<https://www.dhcs.ca.gov/Medi-Cal/Pages/county-office.aspx>

Santa Cruz County Health and Human Services

Phone number: 888-421-8080 (TTY: Dial 711).

Hours: 8 a.m. to 5 p.m., Monday through Friday.

Locations:

Santa Cruz

1020 Emeline Ave., Building B

Santa Cruz, CA 95060

Watsonville

500 Westridge

Watsonville, CA 95076

## **What are some of the Medi-Cal changes in 2026?**

- **Asset Check**: Starting January 1, 2026, Medi-Cal will conduct an asset check when applying or renewing, affecting eligibility based on asset limits.

- **Coverage changes based on immigration status:** Some adults will no longer be able to sign up for full-scope Medi-Cal based on their immigration status, affecting those with a Green Card for less than five years.

## **What are some of the Medi-Cal changes in 2027?**

- **Work Requirements:** A new federal work requirement will be introduced, requiring most Medicaid recipients to spend at least 80 hours a month working, volunteering, or in school to maintain coverage.

## **Medi-Cal Asset Check for 2026**

### **What is an asset check?**

Assets are things you own that have monetary value. An asset check is a process where Medi-Cal will evaluate your assets to decide if you qualify for the program.

### **When does the asset check start?**

Starting January 1, 2026, Medi-Cal will check total asset value for anyone applying for or renewing Medi-Cal. The asset checks will apply to Medi-Cal members and applicants whose whole eligibility is based on age (65+), disability (physical, mental, or developmental, or long-term care needs).

This does not apply to those individuals who get Medi-Cal based on their income. This means that individuals who qualify for Medi-Cal based solely on their income not on age, disability, or long-term care, are exempt from the new asset check.

### **How much can I own and still get free Medi-Cal?**

The most you can own is \$130,000 for one person, with an additional \$65,000 for each extra person in the family (up to 10 people total).

The regulations about what counts as property and how to count it have not changed. It is simply being reinstated as it used to be before the asset test was eliminated in 2024.

### **Who may be affected?**

- People 65 and older who do not meet the asset limit.
- People with a disability (physical, mental, developmental, intellectual and/or substance abuse disorder).
- Those who live in nursing homes.
- Those who are in a family that make too much money to qualify under federal tax rules.
- People receiving non-Modified Adjusted Gross Income (MAGI) benefits impacting those seeking long-term care, IHSS, and other related programs.

**\*\*Non-Modified Adjusted Gross Income (MAGI)-** This is the most common form of Medi-Cal. It uses tax rules to see if you qualify.

**\*\*In Home Supportive Services (IHSS)-** This program helps pay for housecleaning, meal preparation, laundry, personal care, and protective supervision.

### **Who needs to report assets?**

Starting **January 1, 2026**, the following Medi-Cal members and new applicants will need to report asset information at their renewal or at initial application:

- Age (older adults, 65+ years of age)
- Disability (physical, mental, or developmental/intellectual)
- People with long-term care needs

### **What assets will count?**

- Bank accounts

- Cash
- More than one house or vehicle

### **What assets will not count?**

- The home you live in
- One vehicle
- Household items
- Some savings, like retirement accounts

### **Who does not need to report?**

If you receive Medi-Cal through the Affordable Care Act Adult Expansion Population, meaning based on your income alone, the new asset limit does not apply to you.

*For more detailed information, you can refer to the official Medi-Cal resources or contact your county Medi-Cal office.*

### **Medi-Cal Coverage Changes for Immigrants in 2026**

Starting January 1, 2026, some adults will no longer be able to sign up for full-scope Medi-Cal coverage based on their immigration status.

### **What is considered Satisfactory Immigration Status to be eligible for Medi-Cal?**

- You are a U.S. citizen or national, OR
- You are a non-citizen who has an immigration status that allows eligibility for federally funded full coverage Medi-Cal. Examples include:
  - Lawful Permanent Residents (Green Card holders) who are exempt from or who have met the 5-year waiting period.
  - Refugees and asylees

## **What is considered an Unsatisfactory Immigration Status (UIS) that would prevent you from being eligible for full-scope Medi-Cal?**

You are considered to have UIS if you cannot verify one of the recognized immigration statuses that qualify for federally funded full coverage Medi-Cal. Unsatisfactory Immigration Status applies,

- If you are in the U.S. on a visitor visa, student visa, or temporary work visa (unless under age 21).
- If you have applied for a U visa (but it hasn't been granted yet).
- If you are a DACA recipient.

\*\* U visa- visa for victims of certain crimes

\*\* DACA- Deferred Action for Childhood Arrivals

## **If you are currently receiving Medi-Cal with UIS will you stay covered or will you lose your coverage starting 2026?**

- If you already have Medi-Cal, you can stay covered no matter your [immigration status](#).
- **Starting July 1, 2027, those adults with UIS still on Medi-Cal will have a \$30 monthly premium. Pregnant and postpartum people will be exempt from this premium.** If you miss paying premiums for 90 days, you will lose full-scope Medi-Cal coverage.
- To keep your Medi-Cal, you must:
  - Fill out your renewal form every year
  - Still meet the Medi-Cal rules (like income and living in California) Use your benefits and renew on time.
  - Pay premiums when they go into effect in July 2027.

If you miss payments during that 90-day window, you may be able to repay the premiums within the next 90 days to get full-scope Medi-Cal again. If you cannot repay the premiums, you can only apply for restricted Medi-Cal, which covers:

- Emergency care

- Pregnancy-related care
- Nursing home care

For more information visit DHCS Adult Immigrants Enrollment Freeze:

<https://www.dhcs.ca.gov/Medi-Cal/Pages/changes.aspx>

### **Are dental benefits changing for those with UIS?**

Yes. Starting July 1, 2026, adults 19 and older with UIS will lose their non-emergency dental coverage. Children under 19 and pregnant people will continue to receive full dental coverage no matter their immigration status.

### **Work Rules 2027 for Adults (19 to 64 years old)**

Starting January 1, 2027, some adults will need to work, volunteer, or go to school for 80 hours a month to get or keep Medi-Cal.

### **How will you know if these new work rules apply to you?**

The County Medi-Cal office will send you a letter.

### **Who this applies to:**

Medi-Cal members and applicants who are:

- Age 19 to 64 years old, and
- Are part of the Affordable Care Act Adult Medicaid Expansion Population, meaning that you get Medicaid based on your income.
  - If you qualify for Medicaid through an aging or disability pathway, like via Supplemental Security Income (SSI), work requirements do not apply to you.
- Don't meet any of the exemptions listed directly below.

The following groups may be exempt from the new work or volunteer rules, but you should contact your local Medi-Cal office for specific exemption questions:

- Children (0-18).
- Older Adults (65+).

- Pregnant people, including one year postpartum, regardless of birth outcome.
- Parents with children 13 years of age or younger.
- Caregivers of people with disabilities of any age.
- People who are medically frail.
- People with serious health or mental health conditions or substance use problems.
- People who were released from jail or prison within the last 90 days.
- People on Medicare Part A or Part B.
- American Indians or Alaska Natives.
- Foster youth or former foster youth under age 26.

### **What happens if I am required to work, volunteer, or go to school and I don't do so?**

If you are required to work, volunteer, or go to school under these new rules and do not meet the rules, you could lose your Medi-Cal.

### **What should I do to keep up to date with the work rules?**

According to the Department of Health Care Services (DHCS), when you get a letter from Medi-Cal, open it right away and respond quickly to show how you are meeting the work rules. You should expect to report this information at application and every redetermination (every 6 months).

Medi-Cal will send more information before this rule starts, including ways to help you meet the rules.

### **How will Medi-Cal changes directly impact people receiving mental health and substance use disorder services?**

The federal spending cuts that have passed have an impact on Medicaid and could halt some of the behavioral health services that are in place and make less funding available for newer programs.

Although the newer California's behavioral health policies are not explicitly tied to Medicaid, many state and local mental health programs draw

funding from it. Less Medicaid money means less money for behavioral health services.

Mental health advocates, health plans, and county officials have stated, “Medicaid funding cuts would result in more sick people going without treatment. That would increase the likelihood of them losing employment or dropping out of school and ending up in need of more acute care, or worse, on the street”.

## **How to Keep Your Medi-Cal?**

According to DHCS, members affected by the new rules will get letters by mail, text, or email. Make sure your county Medi-Cal office has your updated contact information.

- Keep your contact information updated so you don’t miss important notices.
- Watch your mail and respond quickly to Medi-Cal renewal packets or letters from your health plan or local county office.
- Know your renewal date so you can renew your Medi-Cal online or work with your local county Medi-Cal office if you do not receive notifications.
- Keep going to the doctor and other medical appointments and ask about available telehealth services.
- Visit the Department of Health Care Services (DHCS) website and follow them on their social media channels for updates.
- Ask questions if you’re unsure.

## **Resources**

Benefits Call Center Number is **1-800-421-8080**

DHCS/Medi-Cal Changes

<https://www.dhcs.ca.gov/Medi-Cal/Pages/changes.aspx>

“Medi-Cal Program Changes: What Members Need to Know”

[www.dhcs.ca.gov](http://www.dhcs.ca.gov)

Santa Cruz Human Services website

[www.santacruzhumanservices.org/EmploymentBenefits/Medi-CalHealthBenefits/WhatisMedi-Cal](http://www.santacruzhumanservices.org/EmploymentBenefits/Medi-CalHealthBenefits/WhatisMedi-Cal)

Department of Health Care Services PDF Document: *Health Coverage In California*

[www.dhcs.ca.gov/Documents/myMediCal.pdf](http://www.dhcs.ca.gov/Documents/myMediCal.pdf)

Department of Health Care Services (DHCS): *Older Adults and People with Disabilities*

[www.dhcs.ca.gov/services/medi-cal/eligibility/Pages/medi-cal-changes.aspx#:~:text=For%20most%20Medi-Cal%20members,the%20application%20and%20renewal%20process.](http://www.dhcs.ca.gov/services/medi-cal/eligibility/Pages/medi-cal-changes.aspx#:~:text=For%20most%20Medi-Cal%20members,the%20application%20and%20renewal%20process.)

Long Term Care Justice and Advocacy: *What will Asset Limit Be?*

<https://canhr.org/2026-asset-limit-reinstatement-frequently-asked-questions/#:~:text=As%20of%20January%201%2C%202026,or%20after%20January%201%2C%202026.>

DHCS PDF Document: *Non-MAGI Medi-Cal*

<https://canhr.org/2026-asset-limit-reinstatement-frequently-asked-questions/#:~:text=As%20of%20January%201%2C%202026,or%20after%20January%201%2C%202026.>

California Department of Social Services (CDSS): *In-Home Supportive Services (IHSS) program*

[www.cdss.ca.gov/in-home-supportive-services#:~:text=The%20In-Home%20Supportive%20Services,safely%20in%20their%20own%20homes.](http://www.cdss.ca.gov/in-home-supportive-services#:~:text=The%20In-Home%20Supportive%20Services,safely%20in%20their%20own%20homes.)

DHCS: *What Medi-Cal Members Need to Know*

<https://www.dhcs.ca.gov/Medi-Cal/Pages/changes.aspx>