

LEGISLATIVE UPDATE



Week of April 7, 2025

State Issues

Budget Update

The Legislature has gone on its Spring Recess, returning to action on Monday, April 21. Before they left for the break, the Legislature passed some early budget actions. AB 100 and SB 100 were heard in their respective budget committees, and then AB 100 was passed off the floors of both houses on party line votes. The bill is awaiting the Governor's signature.

The Budget Bill Junior includes small funding adjustments for a number of programs, but the biggest budget issues addressed are wildfire clean up and Medi-Cal. The bill allocates a total of \$11.3 billion. Of that, \$11.1 billion is for "additional unanticipated Medi-Cal Program costs experienced in the current fiscal year." The funding will cover Medi-Cal reimbursements to providers through the end of the fiscal year ending on June 30, 2025.

This funding was touted as evidence that Governor Newsom and Legislature are maintaining their commitment to health care coverage for all. You can access the Committee Analysis/Summary of the bill [here](#).

Republicans in both houses offered amendments to restore UC and CSU scholarships, funding for seasonal firefighters, Proposition 36 funding; and removing funding for undocumented persons in Medi-Cal and for highspeed rail. None of these amendments were accepted.

There were some questions late last week if the Governor would put in more substantive changes or make additional programmatic cuts to the Medi-Cal program in this early budget action, but no policy changes are included in the Budget Bill Junior passed today.

We should expect changes/cuts for the Medi-Cal program to be proposed in the upcoming May Revise. In the debate on the bill, Senate Budget Chair Scott Weiner noted that his caucus looks forward to working with the Governor to determine if there are ways to deliver care for the Medi-Cal population more efficiently by bringing down the cost of prescription drugs, connecting people with regular sources of lower cost care, and other alternatives.

New Medi-Cal Advocacy Materials

The Local Health Plan of California is an association of the local county Medi-Cal managed care plans. They have just released new materials that they are using to advocate in support of the Medi-Cal program. They note that "Wholesale cuts to a program that provides care to one in three Californians could destabilize the entire health care sector, and threaten the financial stability of hospitals, provider networks, and local economies across the state."

(more)

<p>New Medi-Cal Advocacy Materials <i>(continued)</i></p>	<p>You can access their talking point document here. They include a great deal of compelling facts about the value of the Medi-Cal program to vulnerable Californians and local economies. They also reference some points about preventing Medicaid misuse, which is a topic of conversation around the Medi-Cal cuts, particularly in Congress. They have also developed a Medicaid Fact Sheet, which you can find here, which is more concise, user-friendly version of some of the elements of the talking points document.</p> <p>LHPC states that they are actively working to protect this critical program, ensuring that the most vulnerable communities continue to have access to affordable, quality health care services. “Medicaid is more than traditional access to care; it’s the bridge to housing, food stability, and critical community resources. Together, we must remind policymakers that Medicaid is not optional, it's essential.”</p>
---	---

For more information, please contact Lori Dangberg at 1215 K Street, Suite 2040 ■ Sacramento, CA 95814
916.591.3991 or e-mail: ldangberg@thealliance.net