



LOS ANGELES COUNTY
CONSUMER & BUSINESS AFFAIRS

Board of Supervisors

September 3, 2025

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To: Supervisor Kathryn Barger, Chair
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Supervisor Lindsey P. Horvath
Supervisor Janice Hahn

From: Rafael Carbajal Director

REPORT BACK ON *LA SALUD ES IMPORTANTE*: PROCLAMING JUNE 2025 AS IMMIGRANT HERITAGE MONTH BY KEEPING LOS ANGELES COUNTY'S IMMIGRANTS HEALTHY AND SAFE (ITEM NO. 21, AGENDA OF JUNE 3, 2025)

I. INTRODUCTION

Immigrants are at the heart of Los Angeles County's (County) identity, economy, and culture. Their health and safety are essential to the well-being of our communities. In recognition of this, the Board of Supervisors (Board) proclaimed June 2025 as *Immigrant Heritage Month* and directed the Office of Immigrant Affairs (OIA) in the Department of Consumer and Business Affairs (DCBA) to analyze a major policy proposal from the State of California to restrict Medi-Cal access for many immigrants without permanent legal status.

This report examines the final State Budget and legislation enacted in June 2025, which made significant changes to Medi-Cal eligibility and benefits. The analysis reflects impacts across multiple County departments, including Public Health, Health Services, Mental Health, and Social Services. At its core, this report focuses on a clear but urgent issue: *What happens to the County and its immigrant communities if access to Medi-Cal is rolled back*. The evidence we present shows serious consequences. With fewer people able to get regular medical care, more residents will be forced to rely on emergency rooms as their only option, putting extra strain on already stretched emergency services. The County will face higher costs for uncompensated care, since hospitals and clinics will still need to treat people who cannot pay. These changes will also widen existing health inequities, hitting low-income immigrant families the hardest and leaving them with fewer options for staying healthy.



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Rolling back Medi-Cal will affect individuals, threaten the stability of families, and stress the County's ability to provide healthcare for all.

II. BOARD MOTION AND BACKGROUND

On June 3, 2025, the Board adopted a motion¹ directing OIA to evaluate the potential effects of a proposal by the State of California (State) to stop accepting new Medi-Cal enrollees, ages 19 and older, who do not have permanent immigration legal status. The Board instructed OIA to collaborate with several County departments and offices, including Public Health, Health Services, Mental Health, and Public Social Services; the Chief Executive Office; the CEO's Legislative Affairs and Intergovernmental Relations Branch; and County Counsel to analyze the State proposal's potential impact on both the County and the immigrant residents who would be directly affected.

The motion further directed OIA to provide the Board with a 30-day report summarizing its findings. Subsequently, the Board granted OIA an extension until August 15, 2025, to submit the report to ensure it included relevant information that became available after the original due date of July 3, 2025.

For the past decade State lawmakers have passed multiple pieces of legislation to close Medi-Cal coverage gaps, significantly expanding the program's eligibility and its costs:

- Senate Bill (SB) 75, coupled with the 2015-16 Budget, expanded full scope Medi-Cal coverage to children under the age of 19, regardless of immigration status, if they met all other eligibility requirements.²
- SB 104, coupled with the 2019-20 Budget, enacted the Young Adult Expansion, which expanded full scope Medi-Cal coverage to individuals ages 19 through 25, regardless of immigration status, if they met all other eligibility requirements.³
- Assembly Bill (AB) 133, coupled with the 2021-22 Budget enacted the Older Adult Expansion, which expanded full scope Medi-Cal coverage to individuals 50 years of age or older, regardless of immigration status, if they met all other eligibility requirements.⁴
- SB 184, coupled with the 2022-23 Budget, enacted the Age 26-49 Adult Expansion, which expanded full scope Medi-Cal coverage to individuals ages 26 through 49, regardless of immigration status, if they met all other eligibility requirements.⁵

¹ <https://file.lacounty.gov/SDSInter/bos/supdocs/203636.pdf>

² https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160SB75

³ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200SB104

⁴ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB133

⁵ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB184

According to the California Department of Health Care Services (DHCS), Medi-Cal enrollment has grown significantly over the past decade. Enrollment increased from 12.8 million participants in 2015 to 14.8 million in 2025, with a peak of just over 16 million in 2023, reflecting both program expansions and heightened enrollment during the COVID-19 pandemic. As enrollment has grown, so too have program costs. Medi-Cal is now the second largest expenditure in the State budget, representing an estimated 15 percent of the General Fund. For the upcoming fiscal year, total Medi-Cal spending is projected at \$188.1 billion.⁶ With that increase in enrollment, costs of Medi-Cal have grown to the point where it is the second largest program expenditure in the State's budget, estimated at 15 percent share of the total General Fund and \$188.1 billion in total for this coming year.⁷

It is important to note that under federal Medicaid law, federal funding—known as federal financial participation—is limited for individuals who do not have satisfactory immigration status. For these individuals, federal funds only cover emergency services and pregnancy-related care. This means that the cost of providing all other Medi-Cal benefits to income-eligible residents without permanent legal status is borne entirely by the State. To help offset this cost, the State has supplemented funding with revenues from the Managed Care Organization tax, which is designed to support Medi-Cal financing.

On May 14, 2025, the Governor released the annual May Revision to the State's 2025–26 preliminary budget, which had first been introduced in January 2025. The revision was developed in response to a significant budget shortfall and included several cost-containment proposals, particularly aimed at addressing the rising costs associated with recent expansions of Medi-Cal.

Among the most notable proposals was a plan to limit Medi-Cal eligibility for certain immigrant populations. Beginning in 2026, the State would no longer accept new Medi-Cal enrollees who are 19 years of age or older and who lack permanent legal immigration status. This proposal came only two years after the State had expanded Medi-Cal to cover all income-eligible adults regardless of immigration status. Importantly, individuals who had already enrolled in Medi-Cal prior to the proposed change would be allowed to maintain their coverage. Similarly, the proposal would not affect qualified non-citizens who remain subject to the federal five-year bar under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), or those considered Persons Residing Under the Color of Law (PRUCOL). In addition, the proposal included a three-month grace period to allow individuals who disenrolled from Medi-Cal to reapply without losing coverage.

The Governor also put forward two additional cost-saving measures targeted at this population. First, beginning in 2027, individuals whose immigration status makes them ineligible for federally funded Medicaid would be required to pay a \$100 monthly premium

⁶ <https://www.dhcs.ca.gov/dataandstats/Pages/Medi-Cal-Eligibility-Statistics.aspx>

⁷ <https://ebudget.ca.gov/2025-26/pdf/BudgetSummary/HealthandHumanServices.pdf>

to maintain their Medi-Cal coverage. Second, starting in 2026, Medi-Cal would no longer provide long-term care services or full-scope dental benefits to these same individuals.

Together, these proposals reflected the State's effort to reduce State General Fund spending while still preserving some level of coverage for immigrants who had already been brought into the Medi-Cal system.⁸

Advocacy efforts to reverse these steps were met with significant resistance and many of the proposed revisions became part of the final budget, though some positive concessions did end up becoming part of the chaptered version approved by the legislature and later signed by the Governor on June 27, 2025. These concessions included a reduction of the proposed \$100 premium to \$30 and maintaining Long-Term Care (and In-Home Supportive Services) for immigrants regardless of status which in the earlier proposal would have been cut.

III. IMPACTS TO COUNTY SERVICES

The most significant impact to the County from reducing access to Medi-Cal will be the increased and sustained strain on emergency medical services, including hospital-based dental care. When immigrant populations lose access to Medi-Cal—or are barred from enrolling in the first place—they are also effectively cut off from Covered California and other forms of affordable health insurance. Without access to regular primary care, preventive services, and specialty care, many individuals will have no choice but to rely on hospital emergency departments for treatment of acute health issues, which could have been treated through preventative care.

Emergency room care is the most expensive and least efficient way to deliver health services. For the County, this shift will place additional pressure on already overextended hospital systems and community clinics. It will also significantly increase the level of uncompensated care, as many of these patients will be unable to pay for services received. These uncompensated costs fall disproportionately on County facilities and safety-net providers, threatening the financial stability of both County-operated hospitals and community-based partners. In the long term, the reduction of preventive and continuous care will likely result in poorer overall health outcomes, increased health disparities, and higher costs for the County health system.

It is difficult to precisely measure how much this population will grow as a direct result of being disqualified from Medi-Cal under the new State restrictions. Enrollment trends cannot be viewed in isolation, since they are shaped by several overlapping factors. These include reduced migration into the United States under new federal policies, recent reinterpretations by federal agencies of PRWORA that determine which categories of immigrants qualify for public benefits, the “chilling effect” caused by the highly publicized

⁸ <https://ebudget.ca.gov/2025-26/pdf/Revised/BudgetSummary/FullBudgetSummary.pdf>

sharing of Medicaid data with the Department of Homeland Security⁹ (DHS), and the general increase in federal immigration enforcement activity. The impact of these enforcement trends was outlined in detail in a DHS report provided to your Board on August 7, 2025.¹⁰

According to California Health and Human Services (CalHHS), monthly enrollment growth in the County for the three Medi-Cal expansion populations most affected by the State's proposed restriction—ages 19–25, 26–49, and 50 and older—averaged 3,696 new enrollees per month during the most recent 12 months of available data. However, these numbers began to decline noticeably starting in November 2024, reflecting both slowing migration and the deterrent effects of federal policy changes.

If this declining trend in new enrollment is combined with a potential increase in disenrollment among individuals who are unable to afford the State's proposed \$30 monthly premium, the result will be a significant increase in the number of uninsured residents in the County. This will place even greater strain on already limited safety-net resources that currently serve approximately 200,000 low-income adults who are uninsured and living at or just above the federal poverty line.¹¹ The combination of reduced coverage, higher financial barriers, and shrinking enrollment threatens to compound existing pressures on the County's health and social service systems, widening health disparities and increasing the demand for uncompensated care.

IV. IMPACTS TO IMMIGRANT POPULATIONS

Health coverage is a fundamental buffer against poverty. Health insurance is not just a health service; it's a powerful anti-poverty tool. The [Public Policy Institute of California \(PPIC\)](#) developed a “health-inclusive” version of the California Poverty Measure (CPM) that factors in medical insurance and costs for Californians under 65. The findings are striking: Poverty rates are significantly higher among the uninsured—38.4 percent—compared to 18.5 percent for those covered by Medi-Cal, and just 4.2 percent for those with employer-sponsored insurance. The same study projected that without Medi-Cal, child poverty could more than double—from 7 percent to as high as 16.9 percent—and poverty among adults ages 45 to 64 would also rise considerably. Moreover, extending Medi-Cal to all income-eligible Californians—regardless of immigration status—was projected to reduce poverty among non-citizens by 2.9 percentage points when the policy launched in January 2024, potentially benefitting 1.6 million Californians. These data underscore that Medi-Cal outweighs even prominent safety net programs like CalFresh or the expanded Child Tax Credit in reducing poverty.

Insurance shields households from financial and life disruptions. Health insurance lessens the risk of catastrophic medical costs that disrupt housing stability, childcare, and

⁹ <https://apnews.com/article/medicaid-deportation-immigrants-trump-4e0f979e4290a4d10a067da0acca8e22>

¹⁰ <https://file.lacounty.gov/SDSInter/bos/bc/1189746.pdf>

¹¹ <https://hdpulse.nimhd.nih.gov/data-portal/healthcare/table>

employment. Insured adults are far less likely to experience financial shocks from medical care. Insurance also provides access to mental health services, especially vital for individuals who have experienced trauma due to aggressive immigration enforcement actions. These insights align with broader research linking coverage to better economic and behavioral health outcomes.

Fear and policy changes can create a “chilling effect.” New or stricter policies may deter undocumented immigrants—and mixed-status families—from seeking healthcare, even when they are eligible. This causes delays or avoidance of care, which can worsen health conditions and raise treatment costs over time. Consider the following:

- According to research by the [California Health Care Foundation—Protecting Immigrant Families](#), the first Trump-era “public charge” rule, which penalized the use of public benefits in immigration decisions, triggered widespread fear, even though it was reversed under the Biden administration. Immigrants and their families dropped or avoided essential programs like Medicaid due to these fears.
- Likewise, anecdotal evidence also paints a grim picture: According to the [San Francisco Chronicle](#), a terminally ill undocumented Californian expressed fear of seeking treatment due to deportation risk, saying, *“It’s like they are sending me to die.”* Mixed-status families reported foregoing care or sending citizen children alone back to their birth countries for treatment. And this story by [The Guardian—Fearing Ice raids, some LA residents skip doctor’s visits: ‘Everybody’s life is on pause](#)—reports that in Los Angeles, ICE raids at clinics have spurred a sharp decline in patient visits—clinic no-show rates rose from under 10 percent to over 30 percent, leading to dangerous health consequences, particularly among patients with chronic conditions.

On the other hand, research from the [Immigration Policy Lab](#) in San Francisco shows that inclusive programs, like Healthy San Francisco, can help reduce the fear that keeps immigrants from seeking care. For example, even during a period of increased immigration enforcement between 2015 and 2018—a time when many immigrants might have been afraid to visit clinics—there was no noticeable decline in visits by individuals who were likely undocumented. This suggests that when programs are designed to be welcoming and accessible, they can protect community health by encouraging people to continue seeking the care they need, even in times of uncertainty.

But undocumented immigrants continue to face structural barriers to coverage. They typically cannot receive employer-sponsored insurance or are ineligible for most ACA policies under Covered California. Medi-Cal, particularly its state-funded extension, often remains their only potential coverage source. When coverage is removed—or families hesitate to seek care—public health risks increase, especially for infectious diseases in densely immigrant-populated communities. The State’s policy rollbacks, coupled with federal anti-immigrant and policy changes, intensify economic and health instability. According to this [AP News](#) story, the State’s rollback plan to halt new Medi-Cal

enrollments for undocumented adults in 2026, and impose a \$30 monthly fee for remaining enrollees under age 60 starting in 2027, is already prompting fears that people will skip care, worsening health outcomes, increasing mortality, and burdening emergency services and clinics.

V. CONCLUSION AND NEXT STEPS

Analysis is now underway across multiple County departments, following your Board's recent related motions—including the ones listed below—to assess how recent federal and state immigration policy changes are threatening the County's health and social services for immigrants and their families.

We believe that recent federal actions, especially those introduced after this motion, are having an even more harmful effect on service delivery and vulnerable communities than the specific Medi-Cal restrictions originally addressed by this motion. While it is important to continue monitoring how Medi-Cal changes affect immigrant populations, that assessment should be placed within the broader context of ongoing federal policy shifts. These shifts are not only more sweeping but also more destructive, and they are directly impacting the health, stability, and well-being of immigrants across the County.

This broader perspective is also consistent with the direction your Board has taken in the past few months, through several major actions that recognize the urgent and damaging role federal policies are playing—not just Medi-Cal restrictions. OIA is actively supporting and, in some cases, leading these efforts. We will continue to keep your Board updated on how both federal and state policy changes are affecting the County's immigrant residents and what steps are needed to protect them.

Motion	Relevancy	Author /s	Date
<u>Responding to Workforce and Economic Impact of Federal Immigration Enforcement in Los Angeles County</u>	Supports businesses and workers who have lost health care benefits and earnings due to immigration enforcement.	Solis, Hahn	June 17, 2025
<u>Enhancing Access to Health and Social Services for LA County Immigrants</u>	Protect access to health care services for all residents, regardless of immigration status.	Solis, Horvath	July 8, 2025
<u>Support of Immigrants' Dignity, Respect, and</u>	Ensures that everyone can access health care without fear due to immigration status.	Solis, Horvath	July 8, 2025

<u>Access to Health Care Free from Harassment</u>			
<u>Promoting Economic Resilience: Supporting the Small Business Interruption Fund and Launching Cash Aid for Impacted Families</u>	Directs outreach and financial support for impacted businesses, workers and families.	Solis	July 15, 2025
<u>Preserving Access to Critical Federal Safety Net Programs for All Residents</u>	Ensures that all residents continue to access essential support programs, including health care services.	Solis, Horvath	July 15, 2025
<u>Protecting the Privacy of Los Angeles County Residents</u>	Reduces the chilling effect preventing immigrants from accessing support services.	Solis, Horvath	July 29, 2025
<u>Strengthening Community Health Workers and Promotores</u>	Strengthens community outreach and engagement to ensure immigrants access support services.	Solis, Hahn	August 5, 2025
<u>Protecting the Constitutional Rights of Los Angeles County Residents</u>	Reduces the chilling effect preventing immigrants from accessing support services.	Solis, Horvath	July 1, 2025

OIA is committed to keeping your Board informed on these and other motions. Whether serving as the lead agency or working in collaboration with other County departments and community partners, we will continue providing updates that help guide your decisions on how to best support immigrants and their families during these unprecedented and challenging times. In the meantime, if you need more details or have specific questions, please feel free to reach out to me directly, or to Rigo Reyes, OIA's Executive Director, at RReyes@DCBA.lacounty.gov or 213-246-1365.

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