

PRESS RELEASE



California Association of
Health Plans

FOR IMMEDIATE RELEASE:

May 14, 2026

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California Association of Health Plans Responds to Governor's May Budget Revise

Sacramento, CA – The California Association of Health Plans today issued the following statement in response to Governor Gavin Newsom's May Revision of the 2026-2027 state budget proposal:

“We are dismayed by the Governor's proposal to take away Medi-Cal Managed Care benefits from Californians with unsatisfactory immigration status. While we understand the federal government is forcing his hand, this proposal would reduce access to services that are critical to the health and stability of some of California's most vulnerable residents, including benefits like enhanced care management and services like community supports. California can and must find a better path forward, and we are committed to working with the administration and legislative leaders to pursue a more equitable solution.”

“California's health plans are pleased with the Governor's commitment to helping individuals and small businesses who buy coverage on their own through the Covered California marketplace withstand the impact of federal budget cuts resulting from the passage of H.R. 1. At a time when millions of Californians are struggling with the affordability of health care, that commitment matters and will help protect access to coverage for Californians who depend on the individual market for their health care coverage.

“At the same time, we have long supported managed care taxes that are affordable for health plan members and that directly contribute to the Medi-Cal program. However, based on our initial review, it is unclear that the Governor's proposal to increase taxes on those who purchase health coverage meets either of those criteria. We are ready to work with the administration and the legislature on an MCO tax approach that protects affordability while supporting the long-term stability of Medi-Cal.”

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CAHP is a statewide association representing 41 full-service health plans. Through legislative advocacy, education, and collaboration with other member organizations, CAHP works to sustain a strong environment in which our member plans can provide access to products that offer choice and flexibility to the more than 25 million members they serve. For more information, please visit www.calhealthplans.org or call (916) 552-2910.