

Date: September 22, 2026

To: Members of the City Council

From: Councilwoman Dr. Suely Saro, Sixth District
Councilwoman Mary Zendejas, First District

Subject: **Long Beach Community Health and Human Services Impacts of H.R. 1**

RECOMMENDATION

Request the City Manager to direct the Department of Health and Human Services, in coordination with other appropriate City departments, to prepare and present to the City Council a Long Beach-specific presentation in 60 days of the current and anticipated community impacts of H.R. 1, the federal One Big Beautiful Bill Act, with a particular focus on changes to Medi-Cal and CalFresh.

Further, direct the Department of Health and Human Services to engage with local hospitals and health systems, community clinics, nonprofit organizations, and other community partners as part of the assessment and incorporate their recommendations into the report.

BACKGROUND

On July 4, 2025, H.R. 1, the federal One Big Beautiful Bill Act, was enacted. The law makes significant changes to Medicaid, the Supplemental Nutrition Assistance Program (SNAP), and other federal programs, including changes to eligibility, enrollment, financing, and administrative requirements.¹

In California, many of these changes will be implemented through the Medi-Cal program. The California Department of Health Care Services (DHCS) has developed an implementation plan specifically addressing the federal eligibility and enrollment changes required under H.R. 1. DHCS has stated that its implementation approach is intended to minimize disruption, maintain coverage continuity, and provide support to counties, health plans, and community partners.²

¹ Congressional Research Service. (2025). *Health provisions in P.L. 119 21, the FY2025 reconciliation law*. Congress.gov. <https://www.congress.gov/crs-product/R48633>

² California Department of Health Care Services. (2026, January 29). [Implementation Plan for New Federal Eligibility and Enrollment Changes Under H.R. 1 | DHCS](#)

Several of the changes are scheduled to take effect within the coming months. Beginning October 1, 2026, H.R. 1 will narrow the categories of noncitizens who are eligible for federally funded full-scope Medi-Cal. Beginning January 1, 2027, certain Medi-Cal adults will be subject to new community engagement requirements, including requirements involving work, education, community service, or other qualifying activities, subject to federal exemptions.

The law will also reduce the amount of retroactive Medi-Cal coverage available to certain applicants beginning January 1, 2027. Certain adults ages 19 through 64 will be required to undergo Medi-Cal eligibility checks every six months rather than annually. These changes could create new administrative requirements for individuals, counties, health plans, health care providers, and community organizations. The California Legislative Analyst's Office (LAO) has identified significant new county responsibilities associated with implementing H.R. 1, including changes to Medi-Cal and CalFresh eligibility and enrollment processes.⁵

The potential impacts extend beyond enrollment and eligibility. Changes in Medi-Cal coverage may affect whether residents can access and maintain primary care, specialty care, behavioral health services, prescription medications, preventive services, and other health care. The LAO has projected that H.R. 1 will result in a notable reduction in the number of Californians enrolled in Medi-Cal and has identified potential consequences for the state's health care system, including hospitals and other providers that serve significant numbers of Medi-Cal and uninsured patients.

H.R. 1 also changes federal Medicaid financing. These changes include new restrictions affecting certain health care-related taxes and Medicaid managed care financing arrangements. California's Department of Health Care Services has identified these changes as significant considerations for the state's Medi-Cal financing structure and health care delivery system.⁶ Medi-Cal members with unsatisfactory immigration status will transition from receiving covered services through risk-based managed care plans to receiving covered Medi-Cal services through the fee-for-service delivery system. The State's adopted 2026-27 budget anticipates significant fiscal effects from this change, including a projected reduction of \$637.1 million and \$1.6 billion ongoing related to the federal restrictions.⁷ The potential effects on local hospitals, community clinics, behavioral health providers, and other safety-net providers warrant examination at the local level.

H.R. 1 also makes significant changes to federal nutrition assistance programs. In California, these changes affect CalFresh and the California Food Assistance Program (CFAP), including eligibility requirements and administrative responsibilities. The LAO projects that the changes will result in reduced enrollment and lower benefits while increasing state administrative costs.⁸ Because access to adequate food is closely connected to health outcomes and other social determinants of health, changes in food assistance may also affect demand for health and human services and increase pressure on community-based organizations that provide food

⁵ California Legislative Analyst's Office. (2026, March 5). *The 2026 27 budget: County administration and H.R. 1 implementation*. [The 2026-27 Budget: County Administration and H.R. 1 Implementation](#)

⁶ California Department of Health Care Services. (2026). [Tracking Federal Policy Impacts on Medi-Cal | DHCS](#)

⁷ California Department of Finance. (2026). [Health and Human Services Chapter - 2026-27 Enactment Budget Summary](#).

⁸ California Legislative Analyst's Office. (2026, February 18). [The 2026-27 Budget: Food Assistance Programs](#)

assistance and other supportive services.

The local effects of these federal changes are not yet fully understood at the city level. Statewide projections do not identify how many Long Beach residents may experience changes. A coordinated Long Beach-specific assessment is thus needed. The Department of Health and Human Services should work with local hospitals and health systems, federally qualified health centers, community clinics, behavioral health providers, nonprofit organizations, community-based organizations, and other relevant partners to identify anticipated impacts, service gaps, administrative challenges, and emerging community needs. This engagement should specifically seek information from organizations serving residents who may face barriers to maintaining health coverage or accessing care, including low-income residents, seniors, people with disabilities, individuals experiencing homelessness, individuals with behavioral health needs, and immigrant and refugee communities.

The requested report and presentation would provide the City Council with a clear assessment of how the implementation of H.R. 1 may affect Long Beach residents. It would also allow the City Council to better understand where the city can coordinate with Los Angeles County, the State of California, hospitals, health care providers, and community organizations to help residents navigate the changes and mitigate potential disruptions in access to essential services.

FISCAL IMPACT

No fiscal impact was conducted.

SUGGESTED ACTION

Approve recommendation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Suely Saro', with a stylized, flowing script.

Suely Saro, Councilmember, Sixth District

A handwritten signature in black ink, appearing to read 'Mary Zendejas', with a stylized, flowing script.

Mary Zendejas, Councilmember, First District