

MEDI-CAL TO COVERED CALIFORNIA ENROLLMENT PROGRAM

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In 2019, Senate Bill 260 (Chapter 845, Statutes of 2019) was enacted, requiring Covered California to automatically select a health plan for individuals losing Medi-Cal (California's Medicaid program) and qualifying for advanced premium tax credits (APTC). The policy was intended to help Medi-Cal recipients who were losing their coverage by successfully transitioning them from Medi-Cal to Marketplace coverage thus reducing gaps in coverage and increasing coverage enrollment among underrepresented groups. This policy explainer provides insight on the Medi-Cal to Covered California Auto-Enrollment Program and its consumer experience.

Plan Selection and Effectuation Policy

SB 260 requires Covered California to automatically select the lowest cost Silver plan for individuals who gain eligibility for subsidized coverage through Covered California after losing Medi-Cal. Consumers can keep the lowest cost Silver plan – referred to as the default plan – or switch to another plan at any time during their 90-day special enrollment period (SEP).

Consumers are notified through mail via a paper notice of the plan that has been selected for them, their option to switch plans and relevant dates for taking action. Simultaneously, health insurance issuers receive consumer information so they can begin the enrollment process including premium collection, if applicable.

All consumers must opt in to coverage within a month of losing Medi-Cal which runs concurrently with their 90-day SEP. Consumers who do not opt in will have their default plan cancelled as never being effective. The opt in process is simple to complete and the steps depend on the consumers' premium amount:

- Consumers with a \$0 net premium can opt in online through Covered California's enrollment system, by phone, or with a certified enrollment partner such as an agent or Navigator.
- Consumers with a net premium can make their first premium payment (counts as them opting in) directly to the health insurance issuer. Consumers can also access the "Pay Now" link in their Covered CA account to make the payment to their health insurance issuer.

While the default plan is automatically canceled on behalf of the consumers who do not take action within the first month after the loss of Medi-Cal; however, these consumers can still shop for a new plan during the remainder of their SEP.

Consumer Experience

Covered California has customized the consumer experience in the following ways to make the enrollment process as simple as possible.

- **Streamlined notices and online experience for facilitated enrollment.** Consumers receive custom notices to explain the enrollment process along with a new online user experience to help them easily access their information online. The consumer

experience features were designed to reduce burden and confusion for consumers who are new to Covered California, commercial health insurance coverage and/or Covered California's online enrollment system. Finally, consumer notices are translated into our top 13 languages to maximize accessibility. All translations strive to follow plain language best practices and meet a 6th grade reading level to aid comprehension.

- **Multi-channel direct-to-consumer outreach campaign.** Covered California implemented a multi-channel outreach campaign using mail, email, text and outbound phone calls to remind consumers of key dates and actions and connect consumers with enrollment assistance throughout their SEP.
- **System features supporting agency cross-sharing and consumer assistance.** California's eligibility system places consumers in the default plan and generates a notice as soon as a Medi-Cal end date has been assigned. Issuers receive customized enrollment transactions on the same day so they can generate consumer bills and begin outreach efforts. Navigators and agents receive notifications if their delegated consumers are assigned a plan under SB 260. Updated information will be sent to the consumer should they decide to change their plans, return to Medi-Cal, or opt out of coverage.

Early Consumer Outcomes from the Medi-Cal transition to Covered California Program

Key findings from the first year of SB 260 implementation include:

- Relative to the pre-pandemic period, a significantly smaller share of consumers went uninsured following the loss of Medi-Cal.
- Among those who enrolled, 70% kept the default plan and close to 90% remained in the Silver coverage tier, maximizing federal and state premium and cost sharing support.
- More than three-quarters of consumers who transitioned to Covered California did so without a gap in coverage due to the effectuation date and premium payment policies built into SB 260.
- More than two-thirds of those who transitioned were from communities of color and close to 20% were Spanish-speakers, a more diverse enrollee group than those who sign up during open enrollment.
- Finally, 80% of enrollees found the sign-up process easy, and three in four supported the policy more generally even if they had another source of coverage after losing Medi-Cal.

Covered California continues to monitor consumer outcomes in this program in order to support Californians losing Medi-Cal. Detailed data is publicly available on Covered California's Data and Research [webpage](#) under Medi-Cal Transitioner Profiles.