



CenCal Health Statement

October 6th, 2025

CenCal Health is the Medi-Cal Managed Care Plan providing Medi-Cal coverage to over 240,000 people in Santa Barbara and San Luis Obispo Counties. We remain committed to ensuring access to quality healthcare for all of the members of our program, regardless of background or immigration status, and in alignment with prevailing law.

What is Occurring?

On July 14, the U.S. Department of Health and Human Services (HHS) published a notice in the Federal Register that re-interprets the meaning of "Federal public benefit" in the 1996 welfare law. In doing so, the notice restricts eligibility for some Federally funded services, including those provided by Federally Qualified Health Centers (FQHCs) to a narrow set of "qualified immigrants" and leaves out many lawfully residing immigrants and undocumented persons. Those left out of these definitions have "unsatisfactory immigration status," or UIS. California's Medi-Cal Program covers qualified beneficiaries for covered services, including those with UIS. On September 10, 2025, a U.S. District Court issued a preliminary injunction, blocking the immigrant eligibility restriction in the U.S. Department of Health and Human Services (HHS) Notice in the 20 plaintiff states, including California.

Who is Impacted?

CenCal Health contracts with all five (5) FQHCs in our region. Local FQHCs have been tracking the HHS change to "Federal public benefit", the state litigation, and successful injunction to date.

Recently, CenCal Health received formal notice that two (2) of our FQHCs, the County of Santa Barbara's Health Care Centers and the Urban Indian Clinic American Indian Health and Services will be complying with the HHS notice by no longer providing services to members with UIS effective January 1, 2026. CenCal Health has initiated planning efforts to transition 8,500 members (approximately 7,500 from the County Health Care Centers and 1,000 from American Indian Health and Services) to other area providers. Normal operations will continue at the remaining three (3) FQHC organizations at this time (Community Health Centers of the Central Coast, Santa Barbara Neighborhood Clinics, and Santa Ynez Tribal Health Clinic), complying with the injunction.

This policy from HHS does not impact Medi-Cal coverage for CenCal Health members.

What is CenCal Health's Obligation?

CenCal Health's responsibility is to ensure continuity of care for every member we serve, in accordance with our contractual obligations with providers and the Department of Health Care Services (DHCS), which continues to provide Medi-Cal coverage for eligible individuals regardless of immigration status.



As a Medi-Cal Managed Care Plan, CenCal Health is complying with all contractual obligationsⁱ with DHCS specific to transitions of care for our members.

Where Will Impacted Members Receive Care?

CenCal Health has partnered with local providers and other healthcare partners who will accept transitioning members as of January 1, 2026. In accordance with the notices from two FQHCs and our obligations, CenCal Health will reassign affected members to new primary care providers, offering multilingual support, and coordinating closely with our provider partners to protect uninterrupted access to care. All members will be assigned a new primary care provider, and all care will be transitioned according to program guidelines.

CenCal Health is committed to a safe, respectful and coordinated transition process guided by our clinical care professionals and dedicated teams. Members who need to be reassigned will receive a letter from CenCal Health. A Frequently Asked Questions (FAQ) document is available to support members and community organizations in navigating this transition. Outside of the necessary coordination of health care services with HIPAA-covered entities, no information on member's immigration status is utilized, shared, distributed, or otherwise identified during this transition.

CenCal Health will uphold member rights and ensure the protection of member information, in accordance with all prevailing laws. We value our longstanding partnership with local FQHCs, community agencies, county partners and healthcare providers, and are committed to working together to safeguard access to care for all residents. Our vision is to be a trusted leader in advancing health equity so that our communities thrive and achieve optimal health together. Now and always, our mission remains to improve the health and well-being of the communities we serve by providing access to high-quality health services, along with education and outreach, for our members.

Marina Owen
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CenCal Health

Kieran Shah
Chief Executive Officer, VNA Health
Board Chair, CenCal Health

ⁱ Section 5.2.9 A(1): CenCal Health notification to DHCS no less than 60 days in advance of a change in the availability of services impacting more than 2,000 members.

Section 5.2.9 B(1): CenCal Health notification to impacted members, in writing, of change in the location of covered services no less than 30 days before the change in location or availability takes effect.

Section 5.2.9 B(2): DHCS approval of member notice of service change no later than 60 days in advance of the effective date of the change.

Section 5.2.12 C: Continuity of care will be offered for the completion of covered services at the request of a member.