Introduction to Medi-Cal Managed Care

Medi-Cal — California's Medicaid program — is a public health insurance program that provides comprehensive health care services to over 13 million of the state's low-income individuals and families. Funded by the federal and state governments, it is the largest Medicaid program in the nation in total spending and enrollment, and is a leading source of health care coverage in California, second only to employment-based coverage. Under Medi-Cal, beneficiaries are legally entitled to health coverage and, generally, do not financially contribute toward the cost of their care[†]. Today, the vast majority of Medi-Cal beneficiaries are served through managed care plans.

[†]*Beginning July 1, 2027, some beneficiaries must pay a monthly premium to keep full-scope Medi-Cal.*

Who Does Medi-Cal Cover?

- Infants and children
- Pregnant women
- Parents and non-elderly adults
- People with disabilities
- Senior 65+ with low incomes
- Foster care children (Two-Plan and GMC counties)
- Undocumented residents*

**As of Jan. 1, 2026, the state no longer enrolls adult residents with "unsatisfactory immigration status." Current adult enrollees are able to maintain coverage regardless of immigration status if they maintain eligibility and timely renew.*

What Services are Covered?

Plans cover most Medi-Cal services and items, including:

- Physician services
- Inpatient/Outpatient hospital services
- Outpatient surgery
- Outpatient specialty care services
- Emergency services
- Rehabilitative and habilitative services
- Medical supplies and equipment
- Durable medical equipment
- Preventive and wellness services
- Mild-Moderate mental health services and screening
- Transportation
- Long-Term care services and supports
  - Community-Based adult services
  - Skilled nursing facility services

**Prescription drugs are covered through the Medi-Cal fee-for-service program.*

Medi-Cal Fast Facts

Covers

- 1 in 3 Californians
- Over 40% of California's children
- Over 40% of working-age adults with disabilities

Pays For

- About 40% of all births in California
- More than half of all patient days in long-term care facilities*



How Do Beneficiaries Access Care?

Medi-Cal beneficiaries access their benefits through one of two ways:

1. **Fee-for-Service (FFS) Medi-Cal:** Individuals receive care from Medi-Cal providers who then bill the program directly for reimbursement of the beneficiary's cost of care.
2. **Medi-Cal Managed Care:** A managed care plan arranges and coordinates covered services for beneficiaries enrolled in the plan. Medi-Cal managed care plans contract with the Department of Health Care Services (DHCS) to provide covered services to enrolled beneficiaries and manage the quality, utilization and costs of provided services.

Nearly **95% of beneficiaries receive coverage through managed care plans,** of which approximately **70% are served by local health plans.**

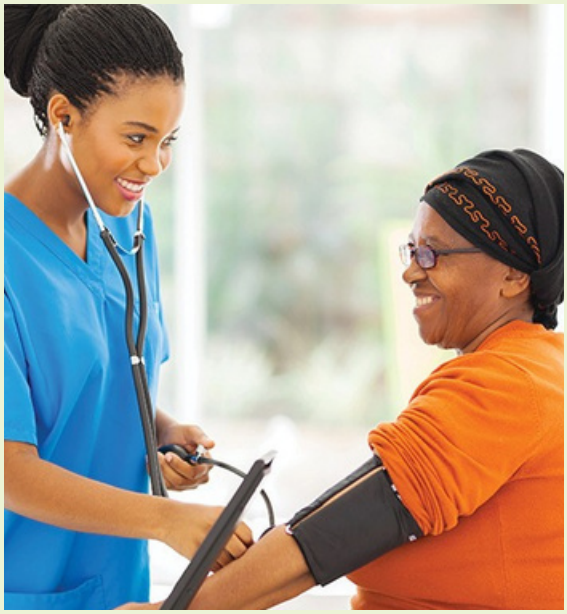
California's Local Health Plans

- ✓ **Public not-for-profit health plans**
- ✓ **Mission-driven, community-based and publicly accountable**
- ✓ **Serve Medi-Cal's low-income, socially disadvantaged populations**
- ✓ **Pathway to care in the state's hardest-to-reach areas**
- ✓ **Critical part of California's safety net**

How is Medi-Cal Managed Care Structured?

The following Medi-Cal managed care plan models are used to deliver care to beneficiaries across California's 58 counties:

- **County Organized Health System (COHS)** — a federally designated county-organized public plan serves the county's Medi-Cal population.
- **Single Plan** — similar to COHS, one public plan serves the county's Medi-Cal population, but does not have the federal designation required to be considered a COHS.
- **Two-Plan** — a county-organized plan (Local Initiative) and a commercial plan serve Medi-Cal beneficiaries.
- **Geographic Managed Care** — multiple commercial plans in a single county serve Medi-Cal beneficiaries.
- **Regional** — Established for rural counties not participating in the COHS or Two-Plan model; two commercial plans serve beneficiaries in two or more contiguous counties.



Note: Through its five-year direct contract with DHCS, Kaiser Permanente will serve a subset of eligible Medi-Cal members in 32 counties across the state.

References:

Kaiser Family Foundation, *Medicaid in California Fact Sheet (2026 Edition)*; DHCS, *Medi-Cal Monthly Eligible Fast Facts (June 2026)*