Financial Summary of Medi-Cal Managed Care Health Plans

Quarter Ending March 31, 2026

Prepared on July 17, 2026

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I. Overview

Medi-Cal, California's Medicaid program, provides high quality, accessible, and cost-effective health care through managed care delivery systems. The Department of Health Care Services (DHCS) administers two primary Medi-Cal systems for providing medical services to beneficiaries: fee-for-service Medi-Cal and Medi-Cal managed care (MCMC). The majority of Medi-Cal beneficiaries are enrolled in a MCMC plan. In January 2024, DHCS implemented new contracts with MCMC plans, reducing the MCMC models from six to five and adjusting the geographic coverage of these plans. The goal of the change was to transform the Medi-Cal program to achieve more equitable comprehensive coverage and better healthcare outcomes for Medi-Cal managed care members. Approximately 13.3 million Medi-Cal beneficiaries in all 58 California counties receive their health care through five models of managed care: Two-Plan Model, County Organized Health Systems (COHS), Geographic Managed Care (GMC), Regional Model, and Single-Plan Model.[1]

Locally-sponsored plans, known as Local Initiatives (LIs), participate as MCMC plans under the Single Model or the Two-Plan Model, while COHS plans serve Medi-Cal members under the COHS Model.[2] Both LI and COHS plans are local agencies established by county board of supervisors to contract with the Medi-Cal program. In this report, LI and COHS plans are collectively referred to as Local Plans and as of March 2026, approximately 8.7 million Medi-Cal beneficiaries are enrolled in these plans.

In addition, five commercial health plans serve 3.2 million Medi-Cal members through contracts with DHCS.[3] These commercial plans are referred to as Non-Governmental Medi-Cal (NGM) plans in this report. NGM plans are plans that report greater than 50% Medi-Cal enrollment but are not a Local Plan. In addition, NGM plans are not established in state statute or county ordinances. Because LI, COHS, and NGM plans serve primarily Medi-Cal members, Medi-Cal enrollment and the rates provided by DHCS are the primary driving factors for the financial performance of these plans.

This report includes enrollment and financial information reported by the Department of Managed Health Care (DMHC) licensed health plans that participated in the five models for the quarter ending March 31, 2026.[4] Additionally, DHCS entered into a direct contract with Kaiser Permanente in 32 counties effective January 1, 2024. This report also includes Medi-Cal enrollment information for Kaiser Foundation Health Plan Inc. (Kaiser Permanente) for comparison purposes. However, because Kaiser Permanente's Medi-Cal enrollment was less than 50% of its total enrollment, Kaiser

[1] https://www.dhcs.ca.gov/services/Pages/Medi-CalManagedCare.aspx
[2] https://www.dhcs.ca.gov/services/Documents/MMCD/MMCD-Model-Fact-Sheet.pdf
[3] https://www.dhcs.ca.gov/CalAIM/Pages/MCP-RFP.aspx
[4] Appendix A shows the list of Local and NGM health plans and the counties they serve.

Permanente's financial information is not included in this report. Furthermore, the financial information the DMHC receives from Kaiser Permanente is for its entire book of business, rather than by line of business. Therefore, financial information specific to its Medi-Cal lines of business is not available to the DMHC.

II. Summary of Findings

Key findings from this report include:

- Assembly Bill (AB) 119 authorized a Managed Care Organization (MCO) Provider Tax effective April 1, 2023 through December 31, 2026. The MCO tax revenues are used to support the Medi-Cal program including, but not limited to, new targeted provider rate increases and other investments that advance access, quality, and equity for Medi-Cal members and promote provider participation in the Medi-Cal program. DHCS implemented the first phase of Targeted Rate Increases (TRI) effective January 1, 2024, whereby certain provider types are reimbursed at increased rates.
- All MCMC plans reported decreases in enrollment in the first quarter of 2026 compared to December 2025 likely due to changes to the asset limits for older adults and people with disabilities, and an enrollment freeze for certain adult immigrants effective January 2026.
- The majority of the MCMC plans reported net income in the first quarter of 2026 due to relatively higher increases in revenue than medical expenses.
- Local Plans continue to report healthy TNE reserves. In comparison to NGM plans, Local Plans generally maintain higher reserves to cover any needed capital expenditure or future economic downturns.
- NGM plans typically reported higher net income, but lower tangible net equity (TNE) reserves compared to Local Plans. Three out of the five NGM plans are for-profit corporations and distribute dividends to their parent companies and/or shareholders thereby reducing reserve levels.

III. Local Plans

A. Highlights

- At present, 16 Local Plans[5] serve 50 counties. All MCMC plans (except COHS) must be licensed under the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene Act), as codified in Health and Safety Code section 1340 et seq., for their Medi-Cal lines of business. While California law exempts COHS plans from Knox-Keene licensure for Medi-Cal, COHS plans must have a Knox-Keene license for other lines of business, such as Medicare Advantage. Below are details on the products COHS plans are licensed for by the DMHC:
    - Health Plan of San Mateo has voluntarily included its Medi-Cal enrollment under its Knox-Keene license. Health Plan of San Mateo is also licensed for Medicare Advantage Dual Special Needs Plan (D-SNP).
    - CalOptima and Central California Alliance for Health have Knox-Keene licenses for other lines of business such as Medicare Advantage, Medicare Advantage D-SNP, In-Home Supportive Services (IHSS), and Program of All Inclusive Care for the Elderly (PACE).
    - CenCal Health and Partnership HealthPlan maintain a Knox-Keene license for their Medicare Advantage D-SNP.
    - Gold Coast granted a Knox-Keene license on February 7, 2025, for Medicare Advantage D-SNP.
- Local Plans reported combined enrollment of almost 9 million members as of March 2026. Approximately 8.7 million (97%) of the total enrollment were Medi-Cal beneficiaries. The remaining 3% of non-Medi-Cal enrollment includes other lines of business such as Commercial, Medicare Advantage, Medicare Advantage D-SNP and IHSS.
- Total Local Plan Medi-Cal enrollment decreased by 3.3% from December 2025 to March 2026.
- Local Plans reported net income of $487 million in March 2026 compared to net loss of $127 million in December 2025, and net income of $96 million in September 2025.
- Local Plans' TNE ranged from 297% to 2266% of required TNE.

[5] Please see Appendix A for a full list of Local Plans and the counties they serve.

B. Enrollment Trends – Local Plans

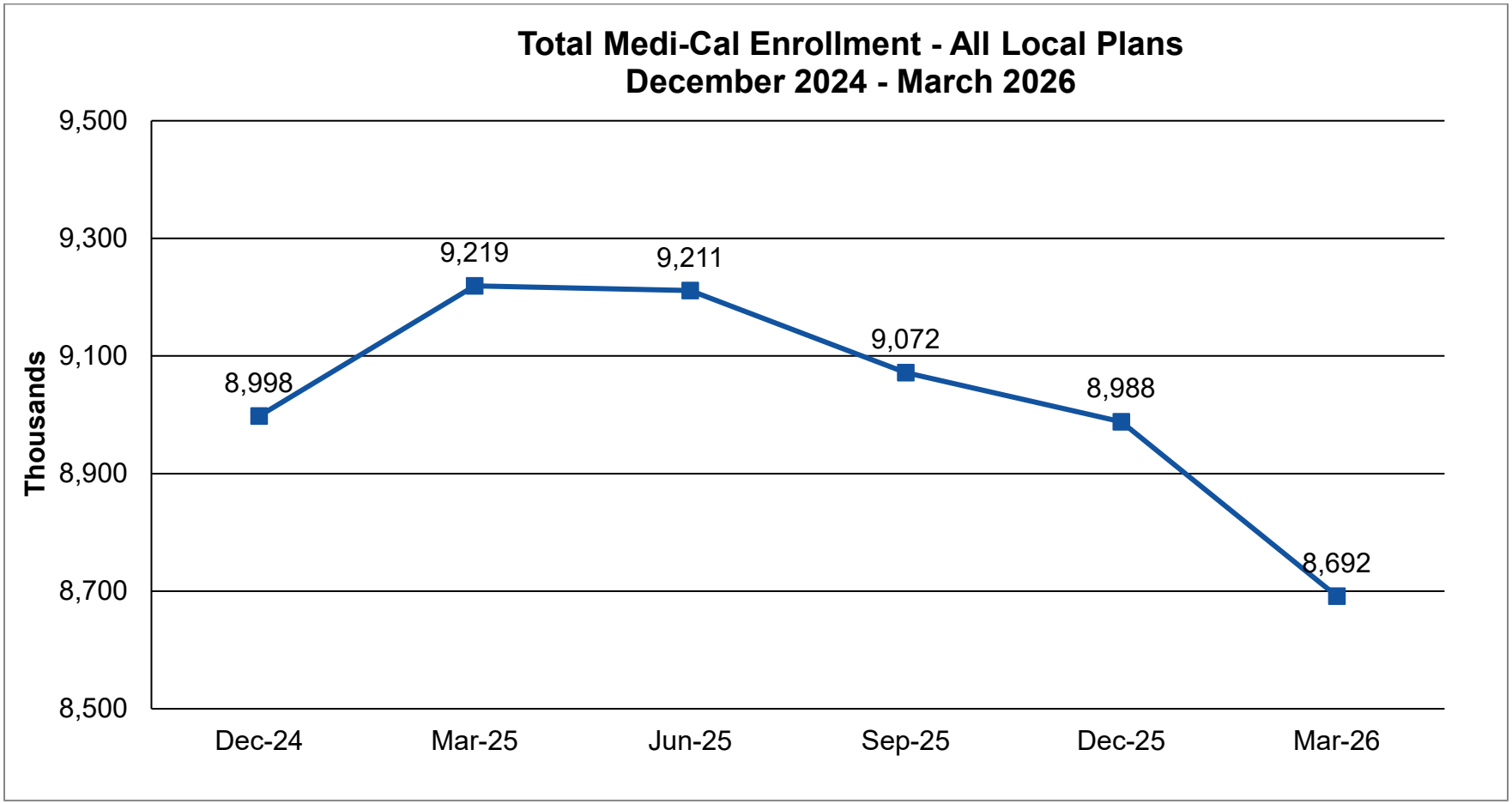
At March 31, 2026, Local Plans served 9 million members in 50 counties in California. Medi-Cal enrollment decreased by 3.3% from the previous quarter. The table below lists total enrollment by line of business as of March 2026 for Local Plans.

Table 1
Line of Business Enrollment for Local Plans
March 2026

Local Plans	Medi-Cal	Commercial	Medicare	Plan-to-Plan	Total Enrollment
Alameda Alliance	380,705	6,238	212	0	387,155
CalOptima	822,740	0	18,573	0	841,313
CalViva Health	419,209	0	0	0	419,209
CenCal Health	233,213	0	291	0	233,504
Central California Alliance for Health	428,070	721	598	0	429,389
Community Health Plan of Imperial Valley	96,205	0	275	0	96,480
Contra Costa Health Plan	251,626	6,788	274	0	258,688
Gold Coast Health Plan	230,340	0	474	0	230,814
Health Plan of San Joaquin	390,919	0	227	0	391,146
Health Plan of San Mateo	135,017	1,314	0	0	136,331
IEHP	1,412,031	40,302	0	0	1,452,333
Kern Health Systems	387,830	0	872	0	388,702
L.A. Care Health Plan	2,182,587	206,521	0	0	2,389,108
Partnership HealthPlan	873,490	0	0	0	873,490
San Francisco Health Plan	166,090	12,574	584	0	179,248
Santa Clara Family Health Plan	281,509	0	11,767	0	293,276
Total	**8,691,581**	**274,458**	**34,147**	**0**	**9,000,186**

Chart 1 illustrates the MCMC Medi-Cal enrollment trend in Local Plans over the last six quarters by comparing quarter-over-quarter data.

Chart 1

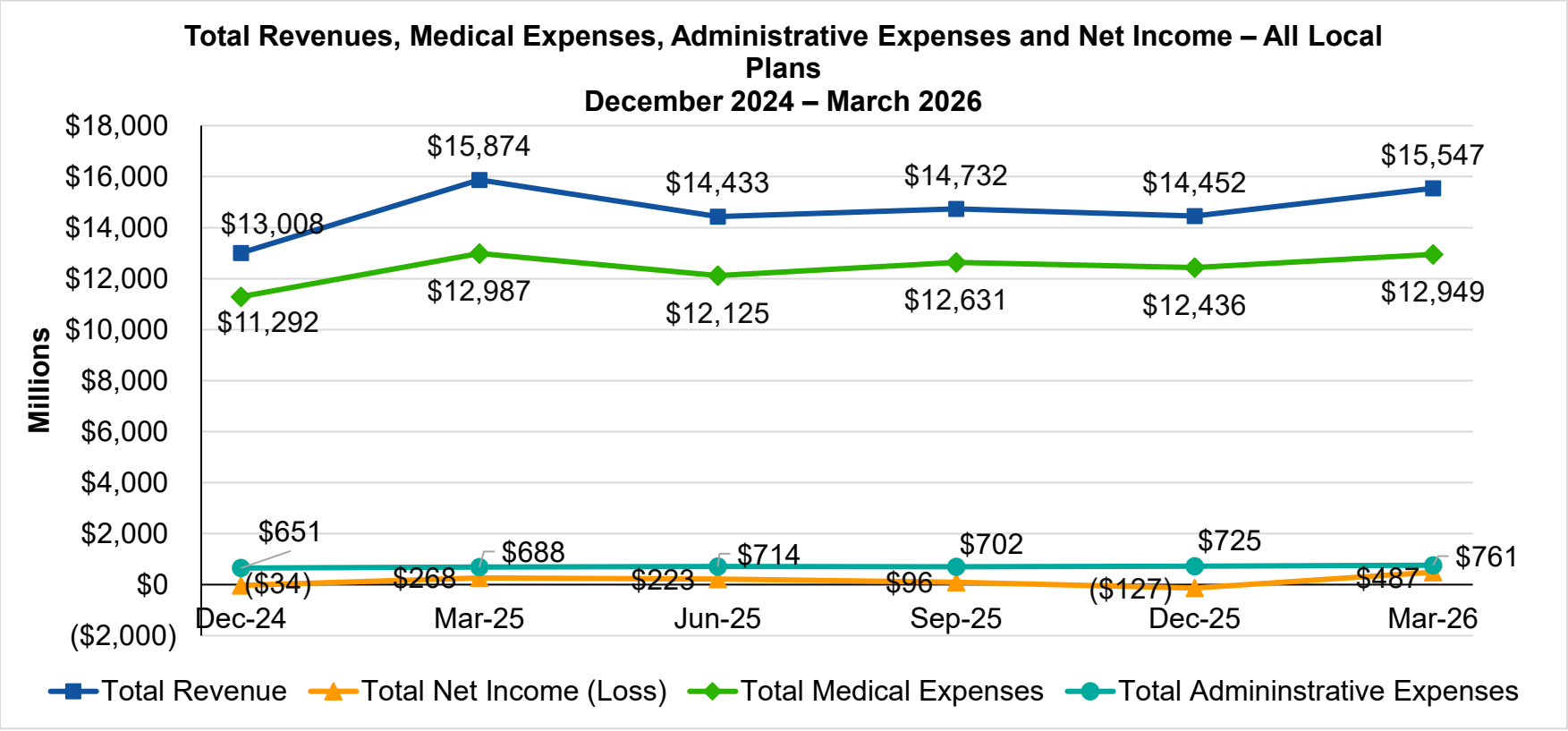


Medi-Cal enrollment in Local Plans increased from December 2024 through March 2025 and decreased from June 2025 through March 2026. Overall, the Local Plans Medi-Cal enrollment decreased by almost 306,000 members from December 2024 to March 2026.

C. Financial Trends – Local Plans

Chart 2 illustrates total revenue, medical expenses, administrative expenses, and net income[6] for the Local Plans over six quarters. There was a slight increase in total revenue, medical expenses, administrative expenses and net income compared to previous quarter. Local Plans reported a combined net income of $487 million for the quarter ending (QE) March 31, 2026.

Chart 2



[6] Net income is the excess or deficiency of total revenues over total expenses adjusted for taxes.

Net Income – Local Plans

Table 2 shows the net income for Local Plans over the past six quarters. Net income or loss is directly related to premium revenue and medical expenses. For the QE March 31, 2026, the majority of Local Plans reported net income.

Table 2
Local Plans Net Income by Quarter (in thousands)

Local Plans	QE Dec-24	QE Mar-25	QE Jun-25	QE Sep-25	QE Dec-25	QE Mar-26
Alameda Alliance	($63,098)	($1,141)	$12,207	$7,806	$14,528	$44,282
CalOptima	$91,924	$156,430	$41,020	$103,659	$45,813	$95,065
CalViva Health	$5,532	$4,435	$6,822	$4,481	$6,611	$6,826
CenCal Health	$58	$9,326	$6,005	$8,337	$5,256	$17,908
Central California Alliance for Health	($17,067)	$23,602	($16,019)	($16,263)	($17,943)	($4,007)
Community Health Plan of Imperial Valley	$851	$1,226	$978	$876	$572	$387
Contra Costa Health Plan	($27,726)	($21,319)	$23,131	$5,645	($48,537)	($13,406)
Gold Coast Health Plan	N/A	($34,112)	($13,843)	($14,331)	($29,002)	$2,293
Health Plan of San Joaquin	$25,316	($105,602)	($67,160)	($67,839)	($27,011)	($41,228)
Health Plan of San Mateo	($12,186)	$17,012	$15,975	($18,871)	($29,812)	($1,431)
IEHP	($155,840)	($10,729)	$23,626	($5,988)	($12,606)	$138,876
Kern Health Systems	($13,582)	$2,612	($8,572)	($18,923)	($21,585)	$11,128
L.A. Care Health Plan	$88,850	$101,238	$170,334	$69,807	($29,827)	$170,854
Partnership HealthPlan	$34,614	$98,203	($19,395)	$17,044	$1,139	$24,403
San Francisco Health Plan	$637	$16,965	$17,031	$11,918	$6,733	$12,992
Santa Clara Family Health Plan	$7,596	$9,754	$30,621	$8,932	$8,208	$21,970
Total Local Plans Net Income	**($34,121)**	**$267,900**	**$222,761**	**$96,290**	**($127,463)**	**$486,912**

Tangible Net Equity – Local Plans

Health plans must meet the TNE reserve requirement described in California Code of Regulations, title 28, section 1300.76. TNE is defined as a health plan's total assets minus total liabilities reduced by the value of intangible assets (i.e., goodwill,[7] organizational or start-up costs, etc.) and unsecured obligations of officers, directors, owners, or affiliates outside the normal course of business. Any debt that is properly subordinated[8] may be added to the TNE calculation, which serves to increase the plan's TNE. All Local Plans had TNE that exceeded the regulatory requirements.[9]

The Department's minimum requirement for TNE reserves is 100% of required TNE. If a health plan's TNE falls below 150%, then the health plan must file monthly financial statements with the Department. If a health plan reports a TNE deficiency (TNE below 100%), then the Department may take enforcement action against the plan. The average TNE for Local Plans overall was stable in 2024 and 2025. For March 2026, the reported TNE ranged from 297% to 2266% of required TNE.

[7] "Goodwill" is an intangible asset that arises as a result of the acquisition of one company by another for a premium value.
[8] "Subordinated debt" is a loan that ranks below other loans with regard to claims on assets or earnings. In the case of default, creditors with subordinated debt are not paid until after the other creditors are paid in full.
[9] A high TNE percentage does not equate to excess cash and cash equivalents. The TNE calculation includes all of a health plan's assets including long term assets and property and equipment which cannot be converted to cash in short term.

Table 3
Local Plans Percentage TNE by Quarter

Local Plans	QE Dec-24	QE Mar-25	QE Jun-25	QE Sep-25	QE Dec-25	QE Dec-26
Alameda Alliance	204%	197%	210%	219%	238%	297%
CalOptima	1966%	2123%	2165%	2190%	2213%	2266%
CalViva Health	621%	673%	670%	659%	658%	706%
CenCal Health	781%	769%	763%	773%	780%	823%
Central California Alliance for Health	1175%	1164%	1092%	1042%	1005%	966%
Community Health Plan of Imperial Valley	464%	434%	466%	485%	497%	493%
Contra Costa Health Plan	602%	536%	535%	539%	421%	309%
Gold Coast Health Plan	N/A	715%	694%	615%	539%	530%
Health Plan of San Joaquin	1430%	1142%	936%	807%	764%	700%
Health Plan of San Mateo	1416%	1351%	1385%	1311%	1066%	1179%
IEHP	411%	389%	380%	371%	367%	417%
Kern Health Systems	420%	380%	481%	438%	400%	413%
L.A. Care Health Plan	1138%	1132%	1135%	1149%	1088%	1149%
Partnership HealthPlan	613%	657%	624%	671%	648%	640%
San Francisco Health Plan	781%	773%	815%	815%	838%	863%
Santa Clara Family Health Plan	643%	634%	791%	846%	857%	919%

IV. Non-Governmental Medi-Cal Plans

A. Highlights

- For the purposes of this report, NGM plans are health plans with greater than 50% Medi-Cal enrollment, that are not a Local Plan.

- Five NGM plans currently serve 21 counties. The structure among NGM plans varies in the following ways:

    - Blue Cross of California Partnership Plan, Inc. is a for-profit health plan and a subsidiary of Elevance Health, Inc., a publicly traded company. Blue Cross of California Partnership Plan paid dividends of $250 million in 2024, and $100 million in 2025.
    - Blue Shield of California Promise Health Plan is a not-for-profit health plan owned by California Physicians' Services (Blue Shield of California).
    - CHG Foundation is a not-for-profit health plan.
    - Health Net Community Solutions is a for-profit wholly owned subsidiary of Health Net, Inc., which is a subsidiary of Centene Corporation, a publicly traded company. Health Net Community Solutions paid dividends of $500 million in each of 2024 and 2025, and $200 million in first quarter of 2026 to Centene Corporation
    - Molina is a for-profit wholly owned subsidiary of Molina Healthcare, Inc., a publicly traded company. Molina paid dividends of $175 million in 2024 and $275 million in 2025 to Molina Healthcare, Inc.

- Kaiser Permanente serves another 1,257,000 Medi-Cal members. Enrollment information for Kaiser Permanente is included in this report. However, financial solvency indicators are not included since the Medi-Cal enrollment reported by the plan represents less than 50% of their total enrollment. Its financial solvency is significantly impacted by other lines of business including commercial and Medicare. Kaiser Permanente meets the financial reserve requirements.

- NGM plans provide and administer health care services to Medi-Cal beneficiaries either as a direct contractor to DHCS, or as subcontractors to other health plans that contract with DHCS. For example, L.A. Care Health Plan has subcontracted with Blue Shield of California Promise Health Plan and Health Net Community Solutions has subcontracted with Molina.

- NGM plans' Medi-Cal enrollment decreased 3.9% from December 2025 to March 2026. NMG plans served 3.2 million Medi-Cal members at March 31, 2026.

- NGM plans reported a net income of $239 million in March 2026, net loss of $230 million in December 2025, and net income of $181 million in September 2025.

- TNE for NGM plans ranged from 212% to 1331% of required TNE in March 2026.

B. Enrollment Trends – Non-Governmental Medi-Cal Plans

Total enrollment for NGM plans decreased by 4.2% in March 2026 compared to December 2025. The table below lists total enrollment by line of business as of March 2026 for NGM plans.

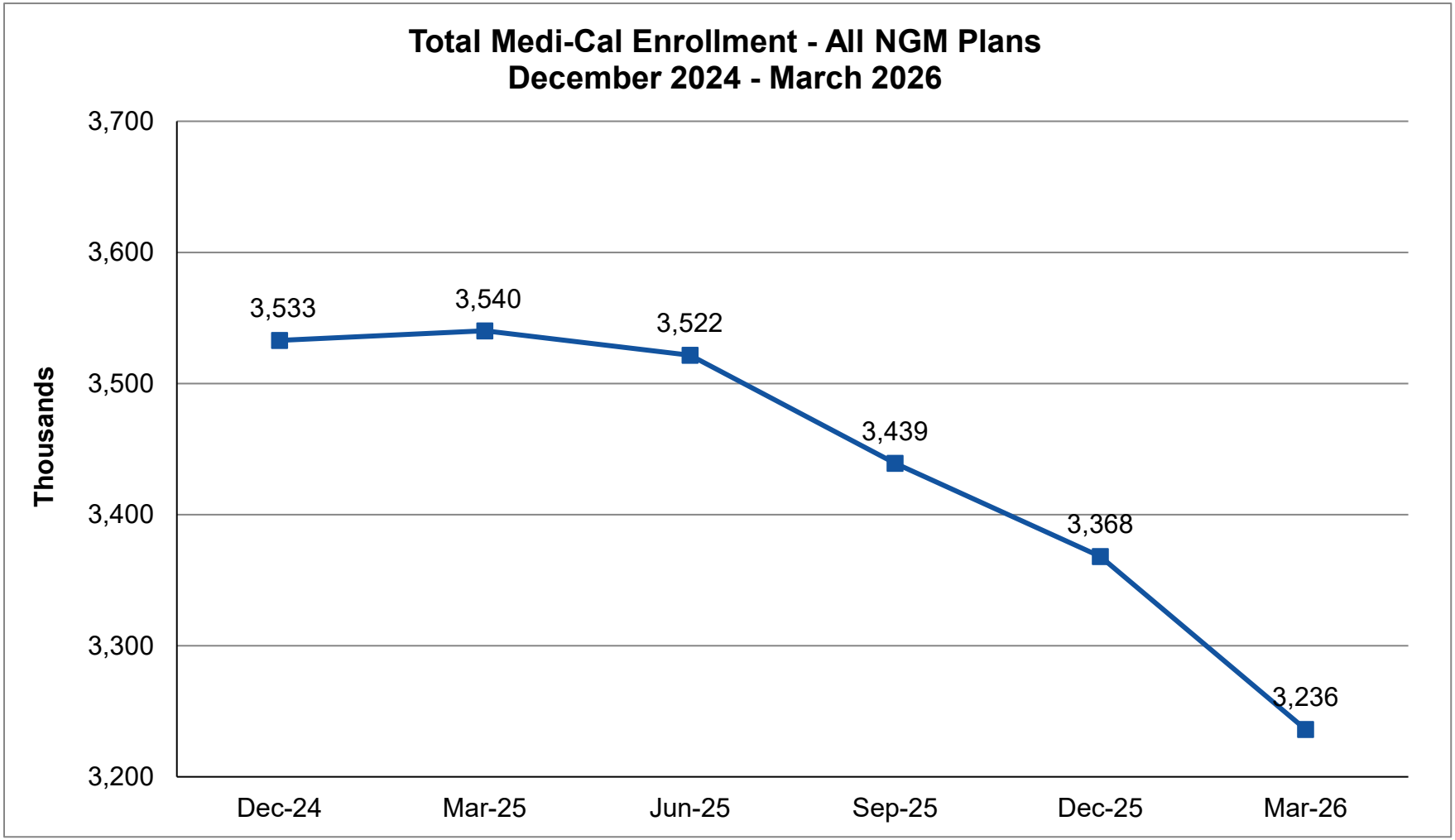
Table 4
Line of Business Enrollment in Non-Governmental Medi-Cal Plans
March 2026

Non-Governmental Medi-Cal Plans	Medi-Cal	Commercial	Medicare	Plan-to-Plan[10]	Others[11]	Total
Blue Cross of California Partnership Plan	728,800	0	155,747	0	0	884,547
Blue Shield of California Promise Health Plan	179,499	0	0	353,353	0	532,852
CHG Foundation	337,681	0	0	0	0	337,681
Health Net Community Solutions	1,494,680	0	48,169	511,199	403,672	2,457,720
Molina	495,473	55,609	31,640	527,487	0	1,110,209
Total Enrollment in NGMs	**3,236,133**	**55,609**	**235,556**	**1,392,039**	**403,672**	**5,323,009**
Kaiser Permanente	1,257,192	6,746,970	1,308,544	0	275,341	9,588,047
Grand Total	**4,493,325**	**6,802,579**	**1,544,100**	**1,392,039**	**679,013**	**14,911,056**

[10] Majority of the Plan-to-Plan lives are with other Medi-Cal managed care plans
[11] Others include out of state and Denti-Cal line of business

Chart 3 illustrates the Medi-Cal enrollment trend in NGM plans. This chart does not include the Medi-Cal enrollment reported by Kaiser Permanente. Total Medi-Cal enrollment in NGM plans experienced a steady decline from June 2025.

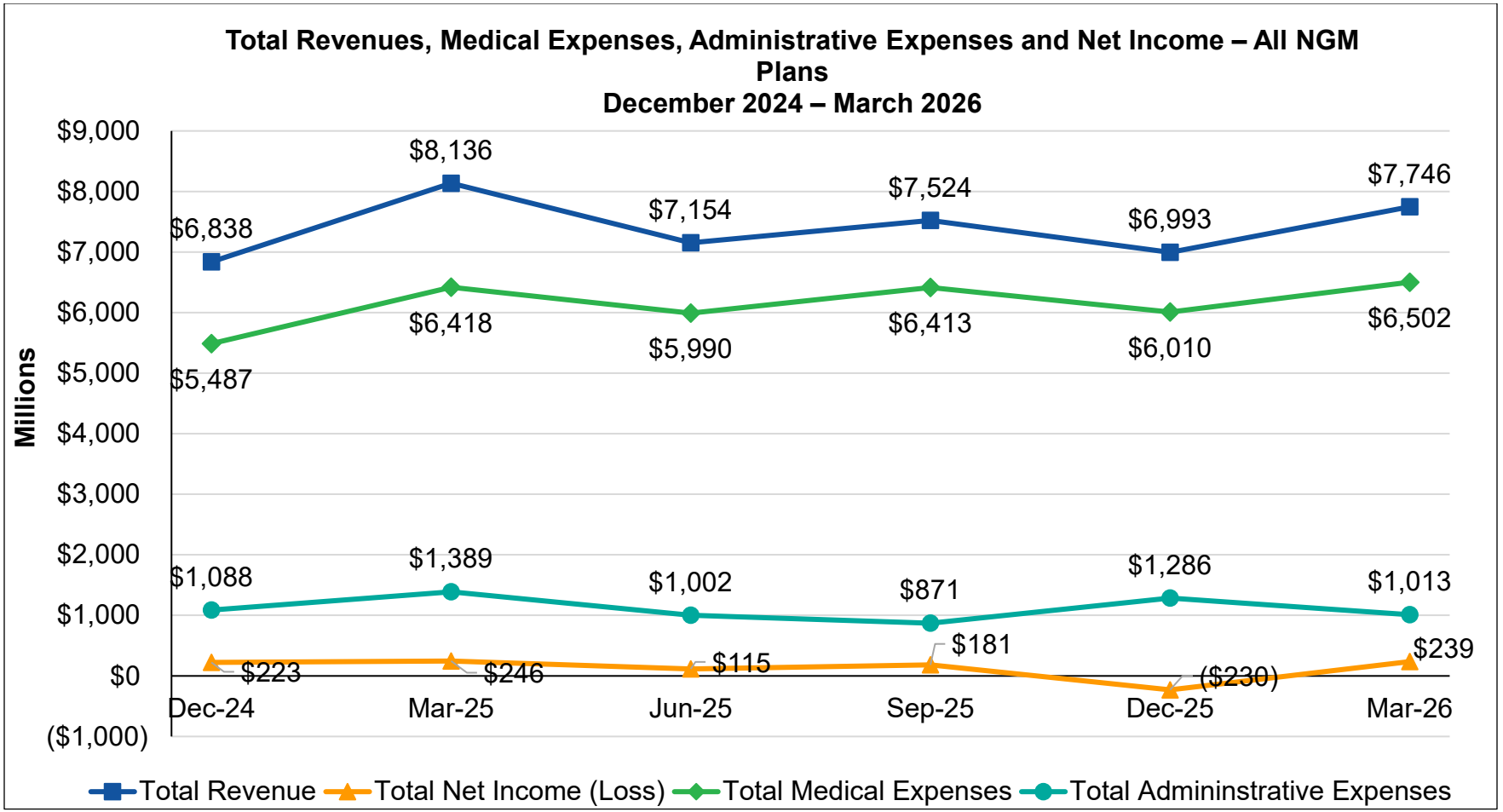
Chart 3



C. Financial Trends – Non-Governmental Medi-Cal Plans

Chart 4 shows total revenue, medical expenses, administrative expenses, and net income for NGM plans. Total revenue, medical expenses, and net income increased slightly from the previous quarter. This chart does not include the revenue, medical expenses, administrative expenses, and net income reported by Kaiser Permanente.

Chart 4



Net Income – Non-Governmental Medi-Cal Plans

Table 5 shows the net income for NGM plans over the past six quarters. For March 2026, all NGM plans reported a net income except CHG Foundation.

Table 5
NGM Plans Net Income by Quarter (in thousands)

Non-Governmental Medi-Cal Plans	QE Dec-24	QE Mar-25	QE Jun-25	QE Sep-25	QE Dec-25	QE Mar-26
Blue Cross of California Partnership Plan	($19,499)	$94,854	$2,398	$25,327	($132,706)	$16,671
Blue Shield of California Promise Health Plan	$41,780	$7,893	($3,092)	$2,623	($20,107)	$78,251
CHG Foundation	$63,909	$6,052	($33,596)	($24,777)	($31,353)	($7,544)
Health Net Community Solutions	$53,108	$65,871	$77,952	$83,929	($18,854)	$111,000
Molina	$83,525	$71,558	$71,516	$94,079	($26,621)	$40,157
Total NGM Net Income	**$222,823**	**$246,228**	**$115,178**	**$181,181**	**($229,641)**	**$238,535**

Tangible Net Equity – Non-Governmental Medi-Cal Plans

NGM plans' TNE to required TNE ranged from 212% to 1331% for March 2026. The TNE reported by most NGM plans is lower than Local Plans. Some NGM plans pay dividends to parent companies or shareholders, thereby reducing the reserve levels. All NGM plans maintained compliance with the DMHC's TNE requirement.

Table 6
NGM Plans Percentage of TNE by Quarter

Non-Governmental Medi-Cal Plans	QE Dec-24	QE Mar-25	QE Jun-25	QE Sep-25	QE Dec-25	QE Mar-26
Blue Cross of California Partnership Plan	532%	572%	449%	451%	338%	319%
Blue Shield of California Promise Health Plan	909%	883%	877%	907%	983%	998%
CHG Foundation	1620%	1608%	1508%	1439%	1350%	1331%
Health Net Community Solutions	555%	487%	431%	424%	404%	346%
Molina	243%	254%	246%	254%	172%	212%

V. Conclusion

All MCMC plans reported decrease in enrollment in March 2026 compared to December 2025 likely due to changes to the asset limits for older adults and people with disabilities, and enrollment freeze for certain adult immigrants effective January 2026.

H.R.1, enacted on July 4, 2025, includes significant changes that will impact the Medi-Cal program beginning in 2026, such as work requirements, frequent eligibility redetermination, freeze on immigrant coverage, limitations on provider taxes and state-directed payments, etc. The DMHC continues to collaborate with DHCS to review the changes in state and federal requirements that may have a financial impact on the MCMC plans. DMHC will continue to monitor the enrollment trends and financial solvency of all Medi-Cal managed care plans.

Appendix A – Medi-Cal Managed Care Plans, Counties Served, Medi-Cal Enrollment and TNE at March 31, 2026

Health Plan	Local or NGM Plan	Counties Served	Medi-Cal Enrollment	Total TNE to Required TNE
Alameda Alliance	Local Plan	Alameda	380,705	297%
Blue Cross of California Partnership Plan	NGM Plan	Alpine, Amador, Calaveras, El Dorado, Fresno, Inyo, Kern, Kings, Madera, Mono, Sacramento, San Francisco, Santa Clara, Tuolumne	728,800	319%
Blue Shield of California Promise Health Plan	NGM Plan	San Diego	179,499	998%
CalOptima	Local Plan	Orange	822,740	2266%
CalViva Health	Local Plan	Fresno, Kings, and Madera	419,209	706%
CenCal Health	Local Plan	Santa Barbara and San Luis Obispo	233,213	823%
Central California Alliance for Health	Local Plan	Mariposa, Merced, Monterey, San Benito, Santa Cruz	428,070	966%
CHG Foundation	NGM Plan	San Diego	337,681	1331%
Community Health Plan of Imperial Valley	Local Plan	Imperial	96,205	493%
Contra Costa Health Plan	Local Plan	Contra Costa	251,626	309%
Gold Coast Health Plan	Local Plan	Ventura	230,340	530%
Health Net Community Solutions	NGM Plan	Amador, Calaveras, Inyo, Los Angeles, Mono, Sacramento, San Joaquin, Stanislaus, Tulare, Tuolumne	1,494,680	346%
Health Plan of San Joaquin	Local Plan	Alpine, El Dorado, San Joaquin, Stanislaus	390,919	700%
Health Plan of San Mateo	Local Plan	San Mateo	135,017	1179%
IEHP	Local Plan	Riverside and San Bernardino	1,412,031	417%

Health Plan	Local or NGM Plan	Counties Served	Medi-Cal Enrollment	Total TNE to Required TNE
Kaiser Permanente	NGM Plan	Alameda, Amador, Contra Costa, El Dorado, Fresno, Imperial, Kern, Kings, Los Angeles, Madera, Marin, Mariposa, Napa, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Sutter, Tulare, Ventura, Yolo, Yuba	1,257,192	2260%
Kern Health Systems	Local Plan	Kern	387,830	413%
L.A. Care Health Plan	Local Plan	Los Angeles	2,182,587	1149%
Molina	NGM Plan	Los Angeles, Riverside, Sacramento, San Bernardino, San Diego	495,473	212%
Partnership HealthPlan	Local Plan	Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, Yuba	873,490	640%
San Francisco Health Plan	Local Plan	San Francisco	166,090	863%
Santa Clara Family Health Plan	Local Plan	Santa Clara	281,509	919%