



June 12, 2026

California State Senate
The Honorable Senator Akilah Weber Pierson
Capitol Office, 1021 O Street, Room 7310
Sacramento, CA 95814-4900

RE: Support for AB 2201 – The Medi-Cal Renewal Relief Act

Dear Chair Weber Pierson and members of the Senate Health Committee,

As a representative of the more than four million small businesses in California, Small Business Majority is pleased to support AB 2201, legislation that would help keep more California small business owners and their employees enrolled in Medi-Cal.

Small Business Majority is a small business advocacy organization with offices across California and throughout the U.S. that empowers diverse entrepreneurs to build a thriving and equitable economy. We engage our national network of more than 85,000 small businesses and 1,500 business and community organizations to deliver resources to entrepreneurs and advocate for public policy solutions that promote inclusive small business growth. Our work is bolstered by extensive research and deep connections with the small business community that enable us to educate stakeholders about key issues impacting entrepreneurs, with a special focus on the smallest businesses and those facing systemic inequities.

Small businesses in California are facing mounting pressure as healthcare costs rise and coverage becomes increasingly unstable. For many low-income small business owners and employees, Medi-Cal is a crucial source of health coverage. Nationwide, one-third of all people enrolled in Medicaid nationwide are connected to small businesses—specifically small business owners, employees, and children or other family members of those owners and employees.¹ Unfortunately, federal cuts and changes to Medi-Cal through HR 1 endanger healthcare access. HR 1 adds work requirements to Medi-Cal and increases frequency of renewals from annual to every six months. As a result, coverage terminations are likely to increase as county eligibility offices will be stretched thin by the sheer volume of cases, putting low-income small business owners and employees at greater risk of losing access to Medi-Cal.

That's why we support the Medi-Cal Renewal Relief Act. This bill would reinstate four proven Medi-Cal eligibility strategies to streamline the Medi-Cal renewal process and minimize coverage terminations for low-income Californians. It would auto-verify zero income, auto-verify income at or below 100% of FPL, auto-verify stable income and assets, and streamline Asset Verification System (AVS) automatic renewals. Adopting these strategies would reduce county administrative burden, freeing up time and resources to address more complex cases and other pressing HR1 implementation challenges.

By reducing unnecessary administrative workload, you would help keep small business owners and their employees from losing health coverage. We urge you to support AB 2201 so that the small business community can continue to access the care they need.

Sincerely,

Suli Kenyatta
Northern California Outreach Manager, Small Business Majority

¹ "Medicaid is a Critical Insurer for Small Business." Small Business Majority and the Georgetown University Center for Children and Families. June 26, 2025. <https://ccf.georgetown.edu/2025/06/26/medicaid-is-a-critical-insurer-for-small-business/>