

# Medi-Cal Asset Increase for Older Adults

---

Tiffany Huyenh-Cho, Senior Staff Attorney, Justice in Aging  
David Kane, Senior Attorney, Western Center on Law & Poverty

**May 24, 2022**

# JUSTICE IN AGING

FIGHTING SENIOR POVERTY THROUGH LAW

Justice in Aging is a national organization that uses the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources.

Since 1972 we've focused our efforts primarily on fighting for people who have been marginalized and excluded from justice, such as women, people of color, LGBTQ individuals, and people with limited English proficiency.

# Justice in Aging's Commitment to Advancing Equity

To achieve Justice in Aging, we must:

- Advance equity for low-income older adults in economic security, health care, housing, and elder justice initiatives.
- Address the enduring harms and inequities caused by systemic racism and other forms of discrimination that uniquely impact low-income older adults in marginalized communities.
- Recruit, support, and retain a diverse staff and board, including race, ethnicity, gender, gender identity and presentation, sexual orientation, disability, age, and economic class.



**WESTERN CENTER**  
ON LAW & POVERTY

Through the lens of economic and racial justice, Western Center on Law & Poverty fights in courts, cities, counties, and in the Capitol to secure housing, health care and a strong safety net for Californians with low incomes.

Many systems keep people in poverty – from institutionalized racism to unjust and unequal economic structures. We address those factors in every aspect of our work, and call out the ways they oppress people experiencing poverty.

# Housekeeping

- All on mute. Use Questions function for substantive questions and for technical concerns.
- Problems with getting on to the webinar? Send an e-mail to [trainings@justiceinaging.org](mailto:trainings@justiceinaging.org).
- Find materials for this training and past trainings by searching the [Resource Library](https://justiceinaging.org/resource-library), [justiceinaging.org/resource-library](https://justiceinaging.org/resource-library). A recording will be posted to [Justice in Aging's Vimeo page](https://www.vimeo.com/justiceinaging) at the conclusion of the presentation, [vimeo.com/justiceinaging](https://www.vimeo.com/justiceinaging).

# Today's Agenda

- Raising the Medi-Cal asset limits
- Who will the asset limit increase impact?
- What's ahead—complete elimination of the asset test in 2024
- Frequently asked questions

# Asset Limit Changes for Non-MAGI Medi-Cal Programs

- Eligibility for Medi-Cal requires some people to meet an asset (resource) limit to qualify
- 2 Phased Approach:
  - 1) July 2022 - Asset Limit Increased**
  - 2) January 2024 - Asset Limit Eliminated**
- Enacted by Assembly Bill (AB) 133 in 2021

# Current Asset Limits

- What is an asset?
  - Cash, money in a savings or checking account, stocks, bonds, mutual funds, 2nd vehicle, 2nd house
- Today, people can keep up to \$2,000 in assets for a single person and \$3,000 for couples for adults age 65 and older or persons with a disability
- Asset limit applies to non-MAGI Medi-Cal categories



# Non-MAGI Groups Included

- Aged, Blind, Disabled
- Long Term Care
- 250% Working Disabled Program
- Share of Cost Medi-Cal
- Medicare Savings Programs
- Supplemental Security Income (SSI)  
Deemed Groups
  - Pickle, Disabled Adult Child, Disabled Adult Widower
- All other non-MAGI programs

# Asset Limits – July 1, 2022

- Asset limit raised to \$130,000 for single person
  - Plus \$65,000 for each additional family member (maximum of 10)
- Medi-Cal rules for exempt and non-exempt assets remain the same
- Medi-Cal income rules and share of cost calculations remain the same

# Asset Limits

- Starting July 1, 2022 the limits increase for:
  - Individuals – from \$2,000 to \$130,000
  - Couples – from \$3,000 to \$195,000

Household Size	Asset Limit
1 person	\$130,000
2 people	\$195,000
3 people	\$260,000
4 people	\$325,000

# Definitions

- Current rules for exempt or non-exempt assets are not changing in July 2022
- Exempt assets:
  - Home you live in
  - One vehicle
  - Household items
  - Personal affects
  - IRAs, KEOGHs, work-related pensions\*
  - Irrevocable burial trusts & contracts\*
  - Life insurance policies\*
  - More!



1<sup>st</sup> Phase: Asset Limit Increase

# Asset Limit Increase

- Asset limits automatically increase on July 1, 2022
- Applications or Terminations in June 2022:
  - June 2022 applications evaluated for both June and July eligibility. If ineligible due to being over assets for June, denial NOA sent for June eligibility
  - If eligible in July under new asset limit, will receive an approval NOA for that month and ongoing.

# Asset Limit Increase

- Denials or Terminations from January to June 2022:
  - Applications denied for over-asset reasons between January and June 2022
  - DHCS to send mailer “Important news about increases to Medi-Cal asset limits” in early July
  - Reapply under higher limits!

# Example 1

- Andrés is 67 years old and applied for Medi-Cal on May 19, 2022.
- Andrés has \$3,500 saved in the bank.
- Andrés is denied Medi-Cal due to excess assets.
- Andrés should reapply in June or July to get Medi-Cal for July onward.



# Example 2

- Lan is 72 years old with Medi-Cal since they turned 65. Normally they keep less than \$2,000 in the bank.
- In July 2022, Lan receives a \$10,000 inheritance and deposits it in the bank.
- Lan notifies the county.
- Lan can keep Medi-Cal under the higher asset limit. No spend-down needed!

# Example 3

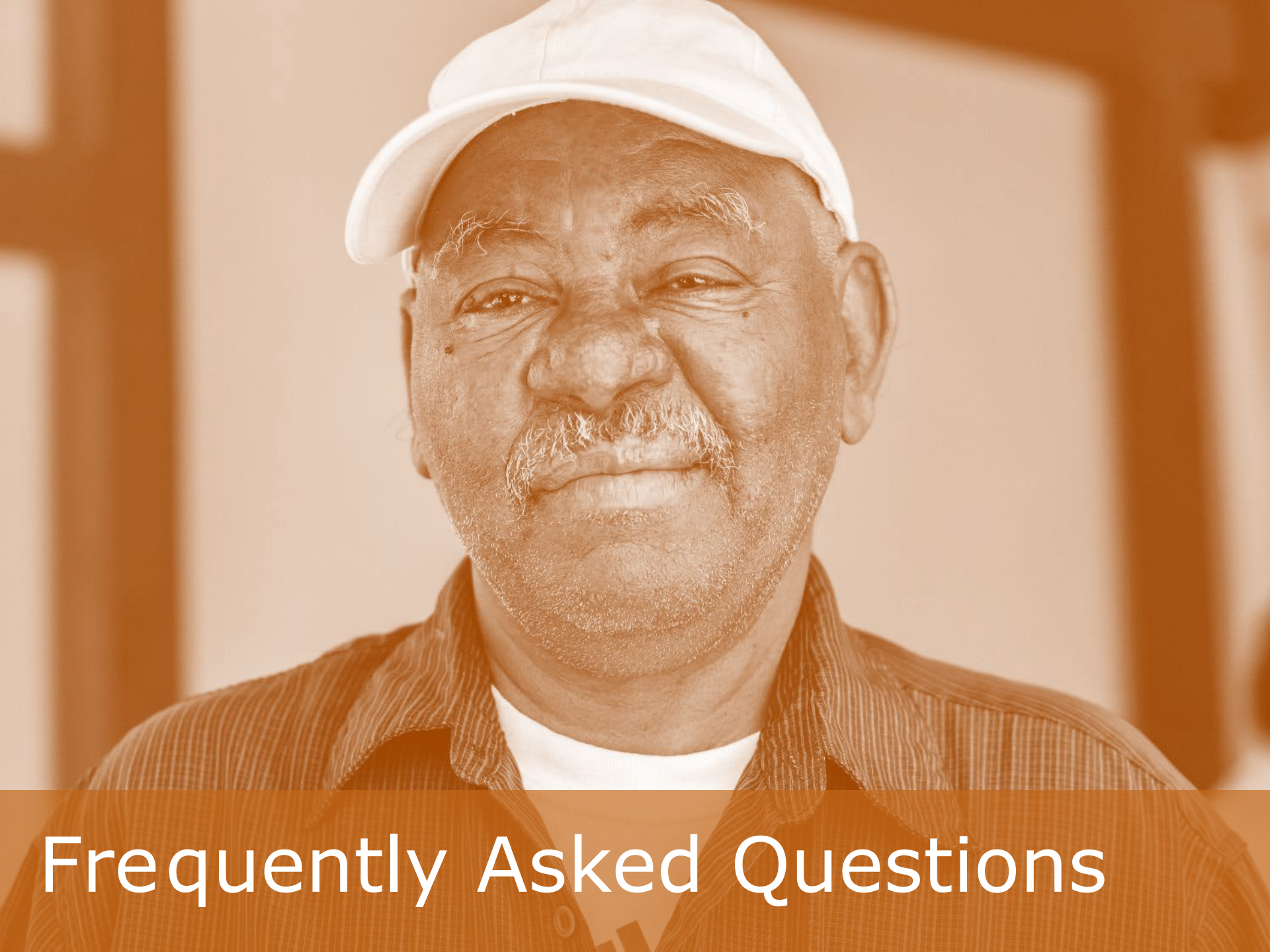
- Ming is 66 years old, works part-time, and has Medi-Cal.
- Ming wants to save their earnings to give to their grandchildren.
- Ming can keep up to \$130,000 in the bank.

# January 2024: Full Elimination of the Asset Limit

- Asset limit completely eliminated on January 1, 2024
- Like all other Medi-Cal programs, assets will not matter!

# Older Adult Expansion

- Full-scope Medi-Cal available to adults age 50 and older, regardless of immigration status
- Immigration status does not matter
- Income and asset limits apply (if applicable)
- For adults not eligible for expansion Medi-Cal (age 65 and older), must meet current asset limits until July 2022



# Frequently Asked Questions

# Frequently Asked Questions

- Will income limits change?
  - No. This change only applies to the asset limit.
- Does this apply to CalFresh, CalWORKs or SSI?
  - No, this change is specific to individuals who receive Medi-Cal directly
- What happens to Medi-Cal Share of Cost?
  - Share of Cost calculations remain the same

# Frequently Asked Questions (Part Two)

- What about Medi-Cal Estate Recovery?
  - Medi-Cal Estate Recovery remains the same
- Will the long term care transfer penalty apply?
  - Yes, transfer penalty will remain the same but with the higher limit
- What about spousal impoverishment rules?
  - These rules remain the same but with the higher limit

# Frequently Asked Questions (Part Three)

- What about special needs trusts?
  - Talk to your attorney about the new limit
- How can I plan for July 2022?
  - Save up to \$130,000 due to public health emergency protections in place today
- How can I plan for 2024?
  - Save up to \$130,000 for now, then starting January 2024 there is no limit



# Online Resources

- Justice in Aging [FAQ](#)
- California Advocates for Nursing Home Reform (CANHR) [Fact Sheet](#)
- DHCS [Asset Limit Website](#)
- DHCS [ACWDL 21-31](#)



# Questions?

Tiffany Huyenh-Cho,  
[thuyenhcho@justiceinaging.org](mailto:thuyenhcho@justiceinaging.org)

David Kane, [dkane@wclp.org](mailto:dkane@wclp.org)



Want to receive Justice in Aging trainings and materials?

***Join Our Network!***

Go to [justiceinaging.org](https://justiceinaging.org) and hit **“Sign up”** or send an email to [info@justiceinaging.org](mailto:info@justiceinaging.org).