Medi-Cal Asset Limit Elimination and Older Adult Expansion

Two new important changes are coming to Medi-Cal that will help low-income persons save money for emergencies, avoid out-of-pocket costs on health care, and stay housed. First, the Medi-Cal asset limit will be significantly increased in July 2022. This is an important change because older adults and persons with disabilities, the only population groups subject to an asset test under Medi-Cal today, will be able to save money for emergency expenses, for the future, for a security deposit, and to prevent the loss of housing. Secondly, immigration status will no longer be a barrier to comprehensive, full scope Medi-Cal benefits for persons age 50 and over. Undocumented individuals over age 50 will now have access to the full range of Medi-Cal services, including primary and specialty care, dental, behavioral health, transportation, and home and community-based services.

Asset Limit Elimination

Q: What is the Asset Limit Elimination?

The Medi-Cal program applies an asset limit of $2,000 for an individual and $3,000 for a couple for adults over age 65, persons under age 65 with a disability, and residents of long-term care facilities enrolled in Medi-Cal. In California, this asset limit will be eliminated in two phases. First, starting July 1, 2022, the asset limit will increase to $130,000 for one person and $65,000 for each additional person up to ten in a household. Then, beginning January 1, 2024, the asset limit will be eliminated for all Medi-Cal enrollees. After January 1, 2024, the financial criteria for Medi-Cal benefits will be based solely on income. In California, assets are also known as resources or property (personal property such as cash and savings and real property such as a house or a vehicle).

Q: For which Medi-Cal programs will the asset limit be eliminated?

All non-expansion Medi-Cal programs, including Aged, Blind, and Disabled, Medi-Cal with a Share of Cost, 250% Working Disabled Program, long-term care, and Medicare Savings Programs (MSPs). MSPs include four specific programs: Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB), Qualified Income (QI), and Qualified Disabled Working Individual (QDWI) programs. The MSPs help low-income Medicare enrollees pay for Medicare out-of-pocket expenses including premiums and cost-sharing. (Note: those enrolled in Medi-Cal expansion already do not have an asset limit).

Q: What does the asset elimination mean?

Starting July 1, 2022, persons enrolled in Medi-Cal programs with an asset test, can have up to $130,000 in assets and qualify for Medi-Cal benefits. Each additional person in the household will increase the asset limit by $65,000. The current way assets are counted will continue to be used to determine whether an individual meets the $130,000
asset limit. Starting January 1, 2024, assets will no longer be counted. Persons on these Medi-Cal programs will be able to save money for an emergency, for retirement, for a down payment on a car, or for any needs a person may have in excess of the current asset limit.

**Q: Is there anything Medi-Cal enrollees need to do?**

If someone has Medi-Cal benefits now, they do not need to take any action. The asset limit will automatically increase to $130,000 on July 1, 2022. If a person does not have Medi-Cal benefits now because they are over the current asset limits, they may apply after July 1, 2022, if their assets will be below $130,000 as a single person. Until January 2024 when the asset limit is eliminated completely, Medi-Cal beneficiaries must still comply with the redetermination process and submit proof of their assets to demonstrate that their assets are below $130,000. The current rules on countable and exempt assets will continue to apply until elimination. A person’s combined, countable assets, must be below $130,000 to qualify for Medi-Cal coverage after July 1, 2022.

**Q: What if an application for Medi-Cal was previously denied because of assets?**

If Medi-Cal benefits were denied anytime between January to May 2022 because the person did not meet the current asset limit of $2,000 for an individual and $3,000 for a couple, they may re-apply for Medi-Cal and submit bank statements or other documents that demonstrate they are below the new asset limit of $130,000 after July 1, 2022. This group will get a notice in July notifying them of the new asset limits and encouraging them to re-apply. If Medi-Cal benefits were denied in June 2022 because the person did not meet the current asset limit, the county will automatically re-evaluate the case for benefits beginning July 1st. This group will also receive a notice of the changes and a determination of eligibility after July 1st.

**Q: What if I have Supplemental Security Income (SSI) linked Medi-Cal? What if I have CalFresh benefits?**

The asset limit changes only apply to Medi-Cal programs. The change to Medi-Cal asset rules do not change cash assistance rules or other public benefit programs such as CalFresh. This means that individuals receiving SSI or other cash assistance will have to meet the lower asset limit for these programs.

**Q: What about deemed SSI groups?**

Deemed SSI groups, include Pickle, Disabled Adult Child(ren) (DAC) and Disabled Widow(ers) (DWW) receive Medi-Cal directly and not through linkage from another public benefit, such as SSI. The increased Medi-Cal asset limit and eventual asset test elimination applies to these groups.

**Q: What counts as an asset today?**

Today, assets that are counted include cash, money in a banking account, more than one vehicle, or a home or land that the person does not live in. A home is exempt as an asset if the Medi-Cal applicant or recipient lives in the home. Other assets that are not counted include one vehicle or personal item, such as a television, or other household items.

These rules will continue under the asset limit increase in July 2022. After January 2024, the ownership of a home, more than one vehicle, or the amount of money and savings in a banking account, will not be taken into account for Medi-Cal benefits.
Q: Will Medi-Cal income limits change?
No, this change applies only to the Medi-Cal asset limit. The income limit for Medi-Cal Aged, Blind, and Disabled is set at 138% of the Federal Poverty Level (FPL) and the 250% Working Disabled Program is set at 250% FPL. These income limits adjust every year based on the Federal Poverty Levels.

Q: What about Estate Recovery?
Federal law requires Medicaid (Medi-Cal in California) agencies to recoup payments for certain Medi-Cal benefits, long-term care, and home and community-based services for some Medi-Cal beneficiaries, and will continue to apply. The changes to the Medi-Cal asset limits will not affect Medi-Cal estate recovery rules. For more information on estate recovery, see the Department of Health Care Service’s website and California Advocates for Nursing Home Reform’s guide. For information about the harms of Medicaid Estate recovery read Justice in Aging’s Issue Brief: How Medicaid Estate Recovery Perpetuates Poverty.

Q: Is the asset limit retroactive prior to July 1, 2022?
No, the asset limit increase is not retroactive prior to July 1, 2022.

Health4All Older Adult Expansion

Q: What is the Health4All Older Adult Expansion?
Beginning May 1, 2022, Medi-Cal full-scope benefits will be provided to persons age 50 or older who meet Medi-Cal eligibility requirements, regardless of immigration status. Under this expansion, immigration status is not taken into account for full-scope Medi-Cal coverage. Full-scope Medi-Cal benefits include primary, specialty, behavioral health, long-term care, in-home supportive services, home and community-based services, transportation, vision (eyeglasses), and hearing aid coverage.

Persons age 50 or older currently on restricted scope (also known as emergency Medi-Cal) benefits will automatically transition into full-scope Medi-Cal on May 1, 2022. Qualifying persons already on restricted scope Medi-Cal do not need to take any action to receive full-scope Medi-Cal. Those who are not currently on restricted scope Medi-Cal will need to apply.

The income limits for Medi-Cal programs will vary from 138% FPL to 250% FPL for individuals that live in the community. Persons with incomes above these limits and persons who need Medi-Cal covered long-term care services will have a Medi-Cal share of cost. The Medi-Cal program applies an asset limit ($2,000 for an individual and $3,000 for a couple) for adults over age 65, persons under age 65 with a disability, and residents of long-term care facilities enrolled in Medi-Cal. These asset limits are in place until July 1, 2022 when the asset limit is increased. (See page 1 of this FAQ). Adults age 50-64 do not have to meet the asset limits for Medi-Cal eligibility and will be screened for 138% FPL MAGI Medi-Cal.

Q: Does an applicant have to provide a Social Security Number or immigration status in the Medi-Cal application?
If a person does not have a Social Security Number, they are not required to provide one on the application. A person can decline to state their immigration status on the Medi-Cal application. The immigration status question is used by the state to determine what type of state or federal funding will be used to fund coverage.
Q: What about Public Charge?
Medi-Cal benefits are not part of the current public charge analysis unless Medi-Cal pays for long-term care services in a nursing home or mental health institution. Few individuals are subject to the public charge analysis. Please see California Health & Human Services (CalHHS) Public Charge Guide in English and Spanish. For more information, please see the National Immigration Law Center’s guide on Public Charge.

Q: What about Estate Recovery?
Medi-Cal estate recovery rules remain the same under this expansion. California has indicated it will apply estate recovery to this population. Under estate recovery, Medi-Cal can recoup payments for certain Medi-Cal benefits, long-term care and home and community-based waiver services, for some Medi-Cal beneficiaries. See the Department of Health Care Service’s website and a guide to estate recovery in English and Spanish for more information. California Advocates for Nursing Home Reform also has a helpful guide (English, Spanish, Chinese) on estate recovery. For information about the harms of Medicaid Estate recovery read Justice in Aging’s Issue Brief: How Medicaid Estate Recovery Perpetuates Poverty.

Q: Does the 5 year bar apply?
No, California does not apply the five year bar. Immigrants are not required to have a qualifying immigration status for five years before qualifying for Medi-Cal benefits.

Q: Will I have to join a managed care plan?
Yes, joining a Medi-Cal managed care plan is mandatory. There are protections that allow a person to continue to see their medical providers for up to one year if they are not contracted with their new Medi-Cal managed care plan. See here for more information. If you have a complex medical condition and joining a managed care plan will harm your health, see the next question for information on Medical Exemption Requests.

Q: What is a Medical Exemption Request?
A Medical Exemption Request (MER) is a temporary exemption from enrollment into a Medi-Cal managed care plan. MERs are temporary for up to one year and must be approved by DHCS. The following conditions apply: 1) The person must have a complex medical condition, 2) joining a Medi-Cal managed care plan would be detrimental to the person’ complex medical condition, and 3) the Medi-Cal provider(s) providing care for this complex condition are not in-network with a Medi-Cal managed care plan in the applicant’s county of residence. A MER is not available in County Organized Health System and Geographic Managed Care counties or for dual eligibles in CCI counties. See here for more information.

Q: Will Medi-Cal be retroactive under this expansion?
No, full-scope Medi-Cal benefits are not retroactive prior to May 1, 2022 under this expansion.

Q: Are undocumented individuals eligible for Medicare health coverage?
No, Medicare is a federal health insurance program and undocumented individuals will not qualify for Medicare. Please see Justice in Aging’s Issue Brief on Older Immigrants and Medicare and Social Security Administration POMS RS 00204.010(B).
Additional Resources

Asset Limit Elimination

- DHCS Asset Limit Website
- All County Welfare Directors’ Letter 21-31
- For free, legal advice and counseling on the Medi-Cal Asset Limit Elimination, contact the Health Consumer Alliance at 1-888-804-3536; TTY 1-877-735-2929

Health4All Older Adult Expansion

- DHCS Older Adult Expansion Website
- Health Access and California Immigrant Policy Center Older Adult Expansion FAQ in English and Spanish
- Health Consumer Alliance Health4ALL Older Adults Flyer (English, Spanish, Traditional Chinese, Simplified Chinese, Arabic, Korean, Tagalog).
- Western Center on Law and Poverty’s Health4All Older Adults Practice Tip
- All County Welfare Directors’ Letter 21-13
- CalHHS Public Charge Guide English and Spanish
- OneCalifornia Immigrant Resources
- For free, legal advice and counseling on the expansion, contact the Health Consumer Alliance at 1-888-804-3536; TTY 1-877-735-2929