

Medi-Cal Renewals Today (2 of 2)

- **No asset limits during renewals!**
- **No need to report or prove assets!**
- Details in [MEDIL 23-19](#)

**CURRENT MEDI-CAL MEMBERS:
ASSET RULES HAVE CHANGED.**

**You no longer
need to report
assets to renew.**



Example (1 of 2)

Renato's renewal is due in December 2023. Before COVID, he kept his bank account below \$2,000. Since then, he inherited \$150,000 that he keeps in a savings account.

What should happen when Renato renews?

Example (2 of 2)

What should happen when Renato renews?

- Leave asset/property sections blank
- If assets reported, county cannot take negative action based on that info

Asset Limits for Applications

- Remember - asset limits still apply for **new Medi-Cal applications**:
 - \$130,000/single person
 - \$195,000/couple
 - \$65,000 additional household member
- **TIP:** Submit your Medi-Cal application today, and get approved for Medi-Cal starting January 2024 **without any asset limits!**

Example (1 of 2)

Rebeca applies for non-MAGI Medi-Cal in November 2023. She reports \$175,000 in countable assets. The county denies her Medi-Cal application.

What should Rebeca do?

Example (2 of 2)

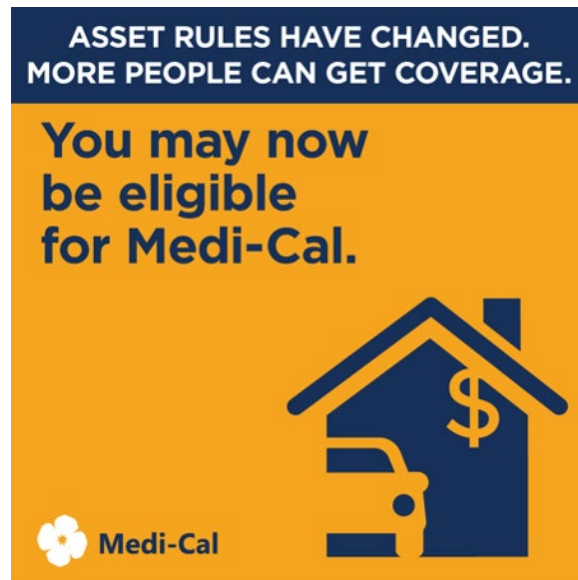
What should Rebeca do?

- Apply for Medi-Cal in December 2023
- No asset limit will be applied for eligibility starting January 2024

Goodbye, Asset Limits!

- January 1, 2024 - asset limits are gone!
 - Like other Medi-Cal programs, financial eligibility is based on **income only**
- Medi-Cal's income-counting rules remain the same

(Details in [ACWDL 22-25](#))



Impacted Non-MAGI Groups

- Aged, Blind, Disabled Federal Poverty Level & Medically Needy
- Share of Cost Medi-Cal
- Long Term Care
- 250% Working Disabled Program
- Medicare Savings Programs (QMB, SLMB, QI, QWDI)
- Multipurpose Senior Services Program (MSSP)
- Medically Indigent
- Supplemental Security Income (SSI) Deemed Groups
 - Pickle, Disabled Adult Child, Disabled Adult Widower
- All other non-MAGI programs (full list in [ACWDL 22-25](#))

Example

Rebeca has worked all of her life and has saved about \$250,000 in her savings account. When she retires in March 2024 at age 67, she plans to apply for Medi-Cal.

Medi-Cal **cannot count** her savings account.

When Assets Still Matter (1 of 4)

- Remember - Medi-Cal's income-counting rules have not changed
- When assets generate interest, dividends and income ...
 - Only the interest, dividends, and income are countable as **income!**
- The underlying asset value is **not counted**
(Details: [ACWDL 23-21](#) & [23-20](#))

When Assets Still Matter (2 of 4)

- Interest & dividends:
 - The account balance does **not count** as an asset
 - Income received counts depending on the **type of account**

(Details: [ACWDL 23-21](#))

When Assets Still Matter (3 of 4)

- Annuities:
 - The balance does **not count** as an asset
 - Only **payments received** count as unearned income
- Retirement plans:
 - The balance does **not count** as an asset
 - Only **distributions received** count as unearned income

(Details: [ACWDL 23-20](#))

When Assets Still Matter (4 of 4)

- Rental property:
 - The property does **not count** as an asset
 - Only **net income received** counts as income
- **TIP:** You can prove all income received from assets in a **sworn statement**

(Details: [ACWDL 23-20](#))

Example (1 of 2)

Renato applies for Medi-Cal and has a \$250,000 Individual Retirement Account (IRA) and receives monthly distributions from his State Annuity for Certain Veterans.

What counts as income or assets?

Example (2 of 2)

- Renato's \$250,000 IRA does not count as an asset
- But his monthly IRA distributions count as unearned income
- His State Annuity distributions do not count as income

Trusts

- In general:
 - Trust payments directly to Medi-Cal beneficiaries count as **unearned income**
 - Trust principal (balances) **do not** count as assets
- You can prove your trust income by **sworn statement**

(Details: [ACWDL 23-22E](#))

Long-Term Care Transfer of Assets (1 of 2)

- Transfer penalties apply only to transfers or gifts of non-exempt assets by a person on Medi-Cal who enters long-term care
- Penalties depend on when a transfer was made
 - Transfer **on or after** January 1, 2024 - **no penalty**
 - Transfer **before** January 1, 2024 - **penalties can apply**
- The lookback period can only extend back to **July 2021 through December 2023**, but it could be much shorter

Long-Term Care Transfer of Assets (2 of 2)

- **Example:** Rebeca applies for LTC Medi-Cal in March 2024.

The lookback period is only 28 months: September 2021 to December 2023.

(Details in [ACWDL 23-28](#))

Spousal Impoverishment Rules

- Rules to help married couples when one spouse enters an institutional settings, such as skilled nursing facility
 - Community spouse can retain income and assets, up to certain limits
- Community Spouse Resource Allocation **no longer applies** starting January 1, 2024

(Details: [ACWDL 23-16](#))

Estate Recovery (1 of 2)

- Asset elimination does not change estate recovery
- Estate recovery does not apply to every Medi-Cal individual
 - Payments for nursing facility services, home and community based services & related hospital and prescription services
- Counties should not ask about assets for estate recovery purposes

Estate Recovery (2 of 2)

- Exceptions to estate recovery
 - Applies only to assets in probate
 - Survived by spouse or registered domestic partner, child under 21, or a disabled child of any age
 - Hardship waiver
- See more at [MEDIL 23-39](#) & [CANHR resource](#)

Overpayments

- Counties **cannot** compute and report potential overpayments based on excess property when the payment occurred **on or after** January 1, 2024
- But counties **can** compute and report potential overpayments that occurred **before** January 1, 2024

(Details: [ACWDL 23-17](#))

Low-Income Subsidy/Extra Help

- Federal program that lowers Medicare prescription costs
- Medi-Cal, Medicare Savings Programs, or SSI recipients, are automatically eligible
 - **Regardless, whether a person meets Low Income Subsidy/Extra Help's separate eligibility criteria**
- 42 C.F.R. §423.773(c); POMS HI 03001.005

Frequently Asked Questions (1 of 2)

- Will Medi-Cal 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 is based on income and calculations that remain the same*

* Stay tuned for Share of Cost improvements in 2025!

Frequently Asked Questions (2 of 2)

- What happens if people were denied Medi-Cal for excess assets before January 2024?
 - By February 2024, Medi-Cal will send a letter to everybody who was denied Medi-Cal because they were over-asset between July and December 2023. They can re-apply for Medi-Cal to get covered.

Medi-Cal Forms Updates

- Currently undergoing user testing:
 - Notice Regarding Standards for Medi-Cal Eligibility (DHCS 7077)
 - Application for Medicare Savings Programs (MC 14A)
 - Non-MAGI Medi-Cal Info. Sheet (Pub 10)
- Already updated for January 1, 2024:
 - Medi-Cal Eligibility & Estate Recovery Standards for Distribution by Insurers, Agents and Brokers (DHCS 7102)
 - Medi-Cal Renewal Forms (MC 210, MC 217)
 - Additional Household Info. Needed (MC 604)
 - Non-MAGI Informing Notice

([DHCS forms website](#))

Resources

- DHCS: Medi-Cal [Asset Limits](#)
- Medi-Cal asset [outreach materials](#)
 - Flyers
 - Social media graphics
 - Talking points
 - FAQs
- Available in **19 languages!**

Questions?

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