

FACT SHEET

Medi-Cal Policies Enhancing Housing Security Among Older Adults

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INTRODUCTION

In California, nearly 186,000 people are currently unhoused,¹ with older adults over age 50 representing the fastest growing demographic affected by homelessness, surpassing both children and younger adults.² Alarming, many older adults are facing homelessness for the first time later in life.³ Black, Latino, and Native American people are overrepresented – for example, Black older adults only make up 5.4% of California’s overall population, but they make up 26% of California’s unhoused population.⁴

California’s Medicaid program, Medi-Cal, provides essential health coverage to over 15 million Californians and plays a key role in addressing homelessness for older adults. Of California’s total population of people experiencing homelessness, at least 75% were covered by Medi-Cal.⁵ For older adults 50 and older experiencing homelessness, 64% had Medi-Cal and 7% were dually eligible for Medicare and Medi-Cal.⁶

In recent years, California has implemented several Medi-Cal policies to increase the number of people eligible for Medi-Cal coverage, reduce barriers to maintaining coverage, and provide new services designed to prevent and reduce homelessness. This factsheet outlines these policies and how they can help to enhance housing security for older Californians.

MEDI-CAL: AN OVERVIEW

Medi-Cal is California’s Medicaid program and provides health care coverage to almost 15 million low-income Californians, including low-income children, families, single adults, older adults and persons with disabilities.⁷ Over two million people qualify for Medi-Cal on the basis of age, blindness or disability and 73% of them are dually eligible for Medicare and Medi-Cal coverage. Medi-Cal is a joint state and federal health insurance program, administered by the Department of Health Care Services (DHCS) and overseen by the federal Centers for Medicare and Medicaid Services (CMS).

Eligibility Based on Age or Disability

Older adults and people with disabilities can be determined eligible for Medi-Cal through multiple pathways. Some people are automatically granted Medi-Cal because they are already receiving other public benefits, including Supplemental Security Income/State Supplementary Payment (SSI/SSP) and California Work Opportunity and Responsibility to Kids (CalWORKs).⁸ These persons are termed “categorically eligible” for Medi-Cal. Anyone who receives SSI/SSP or CalWORKs is automatically granted Medi-Cal coverage without the need for a separate application.

For all other older adults, the income limit for free Medi-Cal under the Aged and Disabled program is 138% of the Federal Poverty Level (FPL), which in 2024 is \$1,732 a month. People with higher incomes can qualify for Medi-Cal via the Medically Needy Share of Cost program but only after significantly reducing their income by paying for medical expenses.

Medi-Cal Coverage

California’s Medi-Cal program provides comprehensive medical coverage including physician services, specialty care, as well as vision, dental, and hearing aids. Beyond medical care, Medi-Cal also covers transportation to medical appointments, mobility equipment such as power wheelchairs, and services that address the social determinants of health such as food and home modifications to help older adults remain living at home. Importantly, Medi-Cal is the primary payor of long-term services and supports for older adults and disabled people, including personal care services through the In-Home Supportive Services program, home and community-based waiver services, and long-term care in nursing facilities.⁹

For people dually eligible for Medicare and Medi-Cal, Medicare is primary and Medi-Cal fills in the gaps for what Medicare does not cover – including long-term services and supports. Medi-Cal also pays for Medicare out-of-pocket costs like premiums and cost sharing.

MEDI-CAL'S ROLE IN ENHANCING HOUSING SECURITY

Increasingly, the Medi-Cal program recognizes that housing is a key social determinant of health. Common factors that lead to housing insecurity among older adults include reduced or lost income due to a job loss, the death of a relative or loved one, disability or medical crisis, rent increases or inflation, a hospitalization or discharge from a nursing facility—all of which disproportionately impact communities of color due to systemic racism and discrimination.¹⁰ At the same time, housing insecurity and homelessness are social factors that negatively impact a person’s overall well-being and health.

To help enhance housing security, California has implemented a number of changes to Medi-Cal, including eligibility expansions, providing help with finding housing, paying for first month’s rent and security deposits, and housing set up fees like utility services. A new temporary rental assistance benefit is also beginning January 2025 for qualifying groups of people.

Medi-Cal Eligibility Expansions

California has implemented two recent changes to eligibility rules that expand access to coverage to thousands more low-income older adults and people with disabilities: 1) the Older Adult Expansion; and 2) Asset Limit Elimination.

Together these changes expand coverage to low-income older adults previously not eligible, make it easier for low-income older adults to obtain and maintain coverage, save money for emergencies, avoid out-of-pocket costs for health care, and access services to stay housed.

Older Adult Immigrant Expansion: May 2022

In May 2022, the Older Adult Expansion to people age 50 and over also allowed more than 765,000 immigrants who were previously ineligible to access comprehensive health coverage.¹¹ Previously, individuals without a qualifying immigration status could not qualify for full-scope Medi-Cal even if they met all other eligibility criteria, limiting them to receiving emergency services only under “Restricted Medi-Cal.” Now, all older adults and people with disabilities, regardless of immigration status, have access to the full range of Medi-Cal services, including primary and specialty care, dental, behavioral health, transportation, and long-term services and supports.¹² With access to comprehensive Medi-Cal benefits and health care coverage, undocumented older adults can achieve greater financial security, allowing them to pay for housing and save for emergencies, thereby reducing the risk of homelessness.

Two Phased Asset Elimination: July 1, 2022 and January 1, 2024

In determining Medi-Cal eligibility, a person’s assets – cash, checking or savings bank accounts, vehicles, or homes – is no longer considered to qualify for Medi-Cal benefits. As of January 1, 2024, a person’s income is the only financial criterion considered in the Medi-Cal application.¹³ Assets are no longer counted.

This policy change supports people’s economic security in multiple ways. First, it helps people more easily obtain and maintain access to Medi-Cal because it removes the administrative burden and barriers of having to prove asset eligibility at application or during annual eligibility redeterminations – a very cumbersome process that frequently results in terminations of coverage for people who are eligible.¹⁴ Second, the prior asset limit of \$2,000 forced individuals to live in deep poverty without the opportunity to save for emergencies. The asset elimination allows people to save beyond \$2,000, which can be the difference between paying a rental deposit or becoming homeless. Third, the prior asset limit excluded the value of the home, a helpful rule for homeowners, but left out renters and disproportionately impacted Black and Latino older adults.¹⁵ The elimination now excludes all assets, allowing renters and homeowners alike to maintain cash savings.

The change to Medi-Cal’s asset limit occurred in two phases: on July 1, 2022, assets limits increased from \$2,000 to \$130,000 (with an additional \$65,000 for each additional household member). This resulted in 12,189 people gaining coverage.¹⁶ The asset limit was eliminated altogether on January 1, 2024. California did not see a significant increase in new enrollees after the elimination because income limits are the real barrier to Medi-Cal coverage. Most people with incomes at or below 138% of federal poverty simply do not have significant assets and resources.¹⁷ Yet, as noted above, the elimination of the asset limit significantly increases the economic security of older adults and people with disabilities who previously could only retain \$2,000 in assets.

Medi-Cal Funded Housing Supports

California has received federal approval to provide two new Medi-Cal services through the state’s Medicaid waiver, CalAIM, that increase housing security: 1) Enhanced Care Management (ECM); and 2) Community Supports (CS). Both are designed to improve health equity and address the social determinants of health (SDOH), such as access to stable housing, food, and transportation that impact a person’s overall well-being.¹⁸ A lack of housing, or unstable housing, leads to poor health outcomes and exacerbates existing health inequities that affect low-income

populations.¹⁹ These services are limited to Medi-Cal managed care enrollees only; those in fee-for-service are not eligible. Medi-Cal health plans are responsible for identifying and connecting qualifying individuals to these services and contracting with community-based organizations to deliver the services. ECM and Community Supports launched statewide in July 2022.

Enhanced Care Management

ECM is a high-touch, person centered care management program for people with complex and high needs. ECM is administered by the Medi-Cal managed care plans, and case management services are delivered by contracted, community-based organizations with experience in case management. ECM is available to seven specific groups who meet specific criteria, called “populations of focus.” One of the key populations of focus are people experiencing homelessness. Older adults and people with disabilities who are enrolled in Dual Eligible Special Needs Plans (D-SNPs), are not entitled to ECM but receive equivalent case management services through the D-SNP. ECM is an important tool that can help prevent people from becoming unhoused or transition people temporarily staying in a shelter or interim housing into stable housing.

Through ECM, individuals are assigned a single care manager who is responsible for coordinating both clinical and non-clinical care across the medical, dental, behavioral health delivery systems and community social service programs. ECM services are primarily provided in-person and in settings where individuals live, seek care, or prefer to access services. All ECM members have a documented care plan and a lead care manager overseeing the provision of ECM services, which include outreach and engagement, enhanced care coordination, health promotion, supports for individuals and their family members, comprehensive transitional care, and coordination of and referral to community and social support services.

Of the seven Populations of Focus, five include older adults experiencing, or at risk of, homelessness:

- Individuals and families experiencing homelessness
- Adults transitioning from incarceration
- Adults with a serious mental illness or substance use disorder
- Adult nursing facility residents who want to transition to the community
- Individuals at Risk for Institutionalization and Eligible for Long-Term Care Services

Because ECM care managers are responsible for overseeing a person’s overall care, ECM connects people to supports available to find housing, but also other services that stabilize a person’s current housing situation and/or prevent homelessness.²⁰ For example, the ECM case manager can connect members to housing services that can be used to stabilize current housing, such as counseling and one-time rent payments. For individuals already experiencing homelessness, ECM can identify the steps needed to establish housing long-term and connect them to the relevant services and supports to achieve that goal. ECM services are provided by organizations well-suited to provide this type of high touch care. For example, for individuals experiencing homelessness, ECM providers include homeless navigation centers or street medicine providers. The ECM care manager will meet members in a shelter, a doctor’s office, or on the street.

From the data published thus far, 13% of all ECM members were age 65 or over as of 2024.²¹

Community Supports

Community Supports are services offered by Medi-Cal plans to address health-related social needs, including access to housing and community living.²² Community Supports help individuals find, secure, and maintain housing. Studies confirm that having safe and stable housing increases positive health outcomes and life expectancy, while also reducing over-utilization of emergency and other high-cost services.²³ Community Supports are available to adults and people with disabilities enrolled in D-SNPs and are delivered through the Medi-Cal managed care plan.

There are fourteen total Community Supports plans can offer²⁴ and three specifically address housing:

- Housing Transition Navigation Services – services to help individuals find and secure housing, such as help with the housing application and negotiating with the landlord.
- Housing Deposits – funds to pay the housing deposit to secure housing.
- Housing Tenancy and Sustaining Services – services to navigate the tenant/landlord relationship, linking to community resources to prevent eviction.

Community Supports are not a Medi-Cal state plan benefit, meaning they are optional for a plan to provide. However, all the Medi-Cal managed care plans have chosen to provide the housing-related Community Supports, making them available statewide.²⁵ Community Supports must be medically appropriate and can also be paired with ECM for a comprehensive package of services. A person receiving ECM because they are experiencing homelessness will have a case manager that refers them for Community Supports housing transition navigation services and housing deposits.

Two other Community Supports, Recuperative Care (Medical Respite) and Short-Term Post-Hospitalization Housing, also help to maintain housing for older adults, at least temporarily. Older adults with documented care needs but without safe and stable housing can benefit from short-term housing through these two Community Supports until they recover. For people who do not have housing and are recovering from an illness or injury and needing care, living on the street or in a shelter is not a viable option for long-term recovery and dignity. Other Community Supports that support stable housing include Home Modifications, Nursing Facility Transition/ Diversion to Assisted Living Facilities, and Sobering Centers.²⁶

In January 2025, Medi-Cal will also begin covering temporary rent payments under the Transitional Rent Community Support.²⁷ Unlike the other fourteen Community Supports, which are optional—plans are required to provide Transitional Rent. This benefit will be available to people experiencing homelessness, those at risk of homelessness, unsheltered populations, those leaving institutional settings or incarceration, and several other population groups.²⁸ Eligible individuals may receive up to six months of Transitional Rent payments. California has not released the final restrictions and criteria for the Transitional Rent benefit at the time of this publication. The temporary payment of rent through the Medi-Cal program has immense potential to improve the lives of low-income older Californians experiencing homelessness or at risk. The lack of access to housing is the single greatest barrier that prevents individuals from being able to move from being unhoused, or transition out of institutions and to the community.

Of all Medi-Cal individuals who received Community Supports in 2024, 23% were over age 65.²⁹

CONCLUSION

Medi-Cal is an incredibly expansive and comprehensive public insurance program that serves millions of low-income Californians. Medi-Cal's role as the primary health insurance program for older adults experiencing homelessness means that it has a meaningful influence on reducing and preventing homelessness for older Californians. The recent Medi-Cal expansions in eligibility criteria and new services to address housing insecurity, are relatively new and their ability to directly improve outcomes long-term is not yet measured, but they hold great potential to improve the quality of life and health outcomes of older Californians at risk of, or experiencing, homelessness.

ENDNOTES

- 1 Marisa Kendall, [Exclusive: California's homeless population grew again this year, especially in these counties](#), CalMatters, (May 2024).
- 2 Monica Davalos, [The Rise of Homelessness Among California's Older Adults](#), California Budget & Policy Center, (May 2024).
- 3 Id.
- 4 Monica Davalos, [The Rise of Homelessness Among California's Older Adults](#), California Budget & Policy Center.
- 5 Margot Kushel, MD and Tiana Moore, PhD, [Toward a New Understanding: The California Statewide Study of People Experiencing Homelessness](#), University of California, San Francisco, (June 2023), Figure 26 at page 57.
- 6 Id.
- 7 Author analysis of January 2024 data of [Medi-Cal Enrollment by Eligibility Group](#), accessed November 22, 2024.
- 8 CalWORKs provides cash payments to eligible California families. CA Dept of Social Services, [California Work Opportunity and Responsibility to Kids \(CalWORKs\)](#), accessed December 9, 2024.
- 9 Medicare covers time-limited skilled nursing care and few people can afford to privately pay for nursing home care.
- 10 Carrie Graham, Sarah Triano, and Torshira Moffett, [Making CalAIM Work for Older Adults Experiencing Homelessness](#), California Health Care Foundation, (July 2023).
- 11 Author analysis of May 2024 data on the [Older Adult Expansion](#), California Health and Human Services, accessed November 25, 2024.
- 12 As of January 2024, immigration status is not considered in the Medi-Cal application process for all age groups. Welf. & Inst. Code 14007.8.
- 13 Today, financial eligibility for Medi-Cal coverage is based solely on income for all Medi-Cal categories, including the Aged, Blind and Disabled, Long-Term Care, Medicare Savings Program, Share of Cost, and the 250% Working Disabled Program.
- 14 MACPAC, [Increasing the Rate of Ex Parte Renewals](#), (September 2023), at pg. 6.
- 15 See e.g. Carmel Ford, National Association of Home Builders, [Homeownership Rates by Race and Ethnicity](#), (March 1, 2018). This report found Black homeownership to be 29 percentage points lower than white households and Latino homeownership to be 26 percentage points lower.
- 16 Author analysis of DHCS Datasets on Newly Eligible population from July 2022 to December 2023. DHCS, Asset Limit Changes for Non-MAGI Medi-Cal, accessed November 25, 2024.
- 17 Marc Cohen and Jane Tavares, [How Medicaid Financial Eligibility Rules Exclude Financially and Medically Vulnerable Older Adults](#), (March 29, 2023), at pg. 12.
- 18 DHCS, [Enhanced Care Management and Community Supports](#).
- 19 California Department of Public Health, [An Update on the Portrait of Promise: Demographic Report on Health and Mental Health Equity in California. A Report to the Legislature and the People of California by the Office of Health Equity](#), (February 2020), at pg. 13.
- 20 DHCS, [Enhanced Care Management For Individuals Experiencing Homelessness](#), accessed December 16, 2024.
- 21 DHCS, [ECM and Community Supports Quarterly Implementation Report](#), ECM Member Characteristics by Age Group, accessed November 21, 2024.
- 22 DHCS, [Transformation of Medi-Cal: Community Supports](#).
- 23 Bill J. Wright, et al., [Formerly Homeless People Had Lower Overall Health Care Expenditures After Moving Into Supportive Housing](#), Health Affairs, (January 2016); Margot Kushel, M.D., et al., [Emergency Department Use Among the Homeless and Marginally Housed: Results From a Community-Based Study](#), American Journal of Public Health, (May 2002).
- 24 DHCS, [Community Supports Policy Guide](#), (July 2023).
- 25 CalAIM [Community Supports - Managed Care Plan Elections](#), July 2024. Medi-Cal plans may choose to stop offering a specific Community Support at their discretion.

- 26 DHCS, [Community Supports Policy Guide](#).
- 27 DHCS, [Transitional Rent Concept Paper](#), (August 2024).
- 28 Additional groups include those living in residential settings, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters, interim housing, and Full Service Partnership participants. See DHCS, [Transitional Rent Concept Paper](#), (August 2024), at pg. 14.
- 29 DHCS, [ECM and Community Supports Quarterly Implementation Report](#), Community Supports Member Characteristics by Age Group, accessed November 21, 2024.