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FACT SHEET

Community-Based Medi-Cal Programs

CANHR is a private, nonprofit 501(c)(3) organization dedicated to improving the quality of care and the quality of life for long term care consumers in California.

Medi-Cal is California's health insurance program for low-income or low-resource individuals, funded jointly through state and federal dollars. There are many different Medi-Cal programs, and each program has distinct eligibility criteria. The programs described below are designed for elderly or disabled individuals living at home or in community-based settings, like assisted living facilities. This information is **not applicable** to individuals in Skilled Nursing Facilities (SNFs) seeking Medi-Cal for long term care. For information on Skilled Nursing Facility Medi-Cal, please see: http://www.canhr.org/publications/PDFs/MEB_English.pdf

Aged and Disabled Federal Poverty Level Program (A&D FPL)

The Aged and Disabled Federal Poverty Level Program (A&D FPL) serves over 140,000 elderly individuals and persons with disabilities. The program makes full-scope Medi–Cal (i.e., health coverage for medically necessary services such as physician visits, hospital care, ambulances, prescription drugs, and in-home care[1]) available with **no Share of Cost (SOC)**. To qualify for this program, individuals must meet all of the following **three criteria:**[2]

1. **You must be 65 years of age or older, OR blind or disabled.**
   To qualify as disabled, you must demonstrate that you receive Social Security Disability Income (SSDI) OR would be eligible because of your disability to qualify for Supplemental Security Income (SSI) but have been determined ineligible due to your income being too high. In other words, you must show that you cannot work due to a physical or mental impairment (expected to last at least 12 months).[3]

2. **Your non-exempt assets must be less than $2,000 (for an individual) or $3,000 (for a couple)**.[4] This limit does not include exempt assets, e.g., your home.[5] For a complete list of exempt assets, please see: http://www.canhr.org/factsheets/medi-cal_fs/html/fs_medcal_overview.htm

3. **Your *countable monthly income* must be below $1,235.00 (for an individual) or $1,663.00 (for a couple)**[6] (effective April 1, 2017).
   Countable monthly income is determined by taking your gross monthly income, and making the following deductions:
   - $20 from unearned income[7]
   - Health insurance premiums[8]
   - Earned income deductions:[9]
     - $65
     - Half of the remaining earned income.

[1] 22 CCR 51301–51365; DHCS Essential Health Benefits: http://www.dhcs.ca.gov/services/medi-cal/Pages/Benefits_services.aspx#top
[2] WIC 14005.40; ACWDL 00-57 http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/00-57.pdf
[3] 22 CCR 50223; 22 CCR 50167; ACWDL 11-11 http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/c11-11.pdf
[4] 22 CFR 416.1205; 22 CCR 50420
[5] 20 CFR 416.1210; 22 CCR 50425-50489
[6] WIC 14005.40(c)(1);
[7] 20 CFR 416.1124(c)(12); 22 CCR 50549.2; 22 CCR 50551.2
[8] 22 CCR 50555.2
[9] 42 CFR 416.1110; 22 CCR 50551.3

- Any unused portion of the $20 deduction from unearned income.[10]
- Work expenses related to disability (cost of items related to impairment that are necessary to becoming or remaining employed—maintenance of a van that fits your needs, certain clothing, attendant care services, transportation, medical devices, work–related equipment, etc.)[11]

Example 1: Single Applicant, Unearned Income

MARTHA IS SINGLE. She receives a pension of $250 per month and $975 from Social Security before premiums are withheld for Medicare. Her gross monthly income is $1,225. She pays $134 per month for a Medicare Part B premium.

	$1,225 (monthly income)
-	$20 (deduction from unearned income)
=	$1,205
-	$134 (Medicare premium)
=	**$1,071 (Martha's countable income)**

Martha is eligible for Medi–Cal at no Share of Cost through the A&D FPL program, because her countable monthly income is below the $1,235 eligibility threshold.

Example 2: Married Applicants, Earned and Unearned Income

SAM AND ROSE ARE MARRIED, and both of them are applying to Medi-Cal. They receive a combined $1,400 in Social Security (unearned income) every month, so their countable unearned income is 1,380 ($1,400 - $20 [unearned income deduction] = $1,380). Sam also earns an additional $800 through his employment.

	$800 (earned income)
-	$65 (earned income deduction)
=	$735
x	1/2 (half of the remainder)
=	$367.50
+	$1,380 (countable unearned income)
=	**$1,747.75 (monthly countable income)**

Sam and Rose are not eligible for Medi-Cal with no Share of Cost under the A&D FPL program, because their countable monthly income is over the $1,663 threshold for a couple. However, Sam and Rose could purchase an additional health insurance premium, such as dental or vision coverage, to reduce their countable income to below the $1,663 limit.

[10] 22 CCR 50549.2; 22 CCR 50551.2
[11] 42 CFR 416.976; 22 CCR 50045.1

Can purchasing private health coverage jeopardize Medi-Cal benefits?

Enrolling in a private health plan will not put you at risk for becoming ineligible for A&D FPL Medi-Cal. In fact, the cost of premiums may even help reduce your countable monthly income, bringing you below the income eligibility threshold. With private health coverage, you may also be able to access providers and services that would not be available to you otherwise. Under these circumstances, the private health coverage is billed first. Medi–Cal pays for the services it covers after the private health carrier pays or denies a claim.

What if there are Family Members not Applying to Medi-Cal?

If there are other family members, such as a spouse or dependents, living in the home who are not applying for Medi–Cal, a Maintenance Need Allowance (MNA) is also deducted from the monthly countable income.[12] A big family needs a larger income, so it is logical that less of that income will be counted towards eligibility for A&D FPL.

Maintenance Need Allowance (MNA)
For spouse and/or dependents not applying for coverage:

1 Person	$600
2 Persons (1 adult + 1 child)	$750
2 Adults	$934
3 Persons	$934
4 Persons	$1100
5 Persons	$1259
6 Persons	$1417

Example 3: Married Applicant, One Spouse Applying to Medi-Cal

JIM AND ELLEN ARE MARRIED. Ellen needs In-Home Supportive Services (IHSS) and is applying to Medi-Cal. Jim does not need Medi-Cal. Their combined income from Social Security is $2,100, before Medicare premiums are deducted.

	$2,100 (gross unearned income)
-	$134 (Medicare premium)
=	$1,966
-	$20 (unearned income deduction)
=	$1,946
-	600 (MNA for spouse not applying)
=	**$1,346 (countable monthly income)**

[12] 22 CCR 50601 – 50605

Ellen is not eligible for A&D FPL, because her countable income is $126 over the $1,235 eligibility threshold. (The eligibility threshold for an individual is used when only one family member is applying). Again, Ellen could purchase a health insurance plan to reduce her countable income below $1,235.

What if my Family Members are Not Dependents?

Often, there may be an elderly couple living in the same household as a non-dependent adult child. If the elderly parents apply to Medi-Cal, the non-dependent adult children's income is not counted.[13] However, the applicant also may **not** make a MNA deduction for non-dependent adult children. **See Example 4.**

Example 4: Single Applicant Living with Non-Dependent Adult Children

MARTHA IS AN 87 YEAR OLD WIDOW. Due to declining health, she moved into her adult daughter's home, where the daughter's husband also lives. Martha earns $1,080 from Social Security before Medicare premiums are deducted. Her daughter and son-in-law have a combined income of $6,500 per month – but this income is not counted by Medi-Cal when determining Martha's eligibility.

	$1,080 (Martha's gross unearned income)
-	$134 (Medicare Part B premium)
=	$946
-	$20 (unearned income deduction)
=	**$926 (countable monthly income)**

Martha's countable income is under $1,235 and she is therefore eligible for Medi-Cal with no Share of Cost.

What if my income is too high?

If your income is above the eligibility threshold for A&D FPL Medi-Cal after making all deductions, and you cannot purchase health insurance premiums to reduce your income below the limit, you still may be eligible for **Medi-Cal with a Share of Cost** under the Aged, Blind and Disabled - Medically Needy Program (ABD-MN).

Aged, Blind and Disabled – Medically Needy Program (ABD-MN)

The Aged, Blind and Disabled – Medically Needy Program (ABD-MN) makes Medi-Cal coverage available to individuals who are over 65 years old, or blind or disabled, **with a monthly Share of Cost.**[14] If you are enrolled in ABD-MN, you must pay your monthly Share of Cost before Medi-Cal will kick in and pay for remaining medically necessary health care services for the rest of the month.

Eligibility criteria for ABD-MN is identical to that of the A&D FPL, except that your income can be higher, and you will have to pay a Share of Cost. The Share of Cost is determined as follows: Medi-Cal starts with your countable monthly income **(see "countable monthly income" under the A&D FPL program)**, and

[13] 22 CCR 50351-50381
[14] WIC 14005.7, 14005.9

deducts a Maintenance Need Allowance based on the number of family members in the household (spouse, dependents, and the applicant.)[15] The remainder is what you will owe as Share of Cost. **See example below.**

Example 5: Single Applicant, Earned Income Above A&D FPL Threshold

SAM IS SINGLE. He receives $1,750 in Social Security every month, before Medicare premiums are taken out.

	$1,750 (earned income)
-	$134 (Medicare premium)
=	$1,616
-	20 (unearned income deduction)
=	**$1,596 (countable monthly income)**

Sam is not eligible for A&D FPL, as his countable monthly income is $361 *over* the allowable amount of $1,235. As a result, he will have a share of cost of $996.

	$1,596 (countable monthly income)
-	$600 (MNA for one person)
=	**$996 (SOC)**

This means that Sam will have to pay $996 out of pocket each month towards his medical costs, before Medi-Cal will cover medically necessary health care. For many on the ABD-MN program, the Share of Cost is prohibitively high. Those with a countable income slightly above $1,235 should consider improving their current coverage by purchasing additional health insurance, which will in turn reduce countable income. In Sam's case, he can either pay a $996 SOC, or he can buy a health insurance premium(s) for $361 to bring his countable income below $1,235.

Can I work and still be eligible?

Yes. Both the A&D FPL program and ABD-MN are designed to allow the working disabled to keep a portion of their earned income out of the countable monthly income, thus allowing them to maintain eligibility in many cases. When calculating the countable monthly income, Medi–Cal subtracts $65 from the earned income and cuts the remainder in half before adding it to the unearned income,[16] making it easier for the working disabled to stay below the eligibility income threshold.

If you are working and enrolled in Medi-Cal, you may also consider applying for Medi-Cal's 250% Working Disabled Program.

250% Working Disabled Program (250% WDP)

The 250% Working and Disabled Program (250% WDP) provides Medi-Cal coverage at the cost of a low monthly premium for individuals who meet the Social Security definition of "disabled" and whose countable monthly income is below 250% of the Federal Poverty Level:

[15] 22 CCR 50601 – 50605
[16] 42 CFR 416.1110; 22 CCR 50551.3

http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/c00-16.pdf. The monthly premium amounts are based on your income level. Premium costs are generally less than the Share of Cost an individual would have to pay under the ABD-MN program.

Who is eligible?

If you meet the Social Security definition of "disabled" (without regard to the *substantial gainful activity* component of the definition) you may be eligible for this program.[17] In other words, you must have a medical determination of a physical or mental impairment lasting or proposed to last for one year.[18] This can be shown by demonstrating that you receive Social Security Disability Income (SSDI), OR Supplemental Security Income (SSI) based on disability.

In addition, you must also be working, with **countable monthly income** under 250% of the Federal Poverty Level (FPL).[19] Proof of employment and earnings must be provided.[20] There is no minimum work requirement -- ***you can work for two hours a month and still be eligible.*** Temporary unemployment periods are also acceptable (26 weeks during the Medi-Cal annual eligibility time period).[21]

Finally, your **countable resources** must be below $2,000 for an individual or $3,000 for a couple.[22] However, you may retain your work income without it counting as a resource, as long as it is kept in a separate account that is not commingled with other resources.[23]

Countable income limits

The countable monthly income limit for an individual is **$2,475** and **$3,338** for a couple.[24] **(See chart below.)** Countable monthly income is determined by taking gross monthly income, and making the following deductions:

1. **All disability related income is deducted**. Disability income includes all federal and state disability benefits, as well as private disability insurance.[25] Additionally, if you received Social Security disability income that converted to Social Security retirement income when you turned 65, that income will be exempt from countable income.[26]

2. **All SSI income deductions apply.**[27]

[17] WIC 14007.9(a)(2)(1)(B)
[18] 42 USC 1382c(a)(3)
[19] WIC 14007.9(a)(1)(A); ACWDL 00-16 http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/c00-16.pdf
[20] ACWDL 00-51
[21] ACWDL 11-38 http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/c11-38.pdf
[22] 20 CFR 416.1205(c)
[23] WIC 14007.9(b)(4); ACWDL 11-38 http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/c11-38.pdf
[24] ACWDL 16-03 http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/ACWDL2016/ACWDL16-03.pdf
[25] 42 CFR 435.831(b)(2);WIC 14007.9(b)(1)
[26] ACWDL 11-38 http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/c11-38.pdf
[27] ACWDL 00-16 http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/c00-16.pdf; 20 CFR 416.1124; 20 CFR 416.1112

Monthly Premium Costs Based on Countable Income:

Countable Monthly Income	For 1 Person	For a Couple of 2
$1 - $600	$20	$30
$601 - $700	$25	$40
$701 - $900	$50	$75
$901 - $1100	$75	$100
$1101 - $1300	$100	$150
$1301 - $1500	$125	$200
$1501 - $1700	$150	$225
$1701 - $1900	$175	$275
$1901 - $2100	$200	$300
$2100 - $3338	$250	$375

Monthly premium costs are due for payment on the 10th day of each month. Payments can be mailed in to the Department of Health Care Services or submitted electronically online at http://www.paycalifornia.com. Failure to make two consecutive monthly premium payments may result in disenrollment from the 250% WDP program.

Example 5: Single Applicant, Earned Income plus SSDI

CAROL IS 55 YEARS OLD AND SINGLE. She receives $1,700 in Social Security Disability Income benefits each month. She also works, watching her neighbor's dogs while he is at work. She receives $50 as work income each month. Her total monthly income is $1,750.

	$1750 (monthly income)
-	$1,700 (deduction of disability related income)
=	$50 (countable monthly income)

Carol is eligible for the 250% WDP Program with a $20 monthly premium cost.

Application Process

To apply for the Aged and Disabled Federal Poverty Level Program (A&D FPL), Aged, Blind and Disabled – Medically Needy Program (ABD-MN) or the 250% Working Disabled Program (250% WDP), you may apply:

- **In Person**, at your local Medi-Cal county office by obtaining, completing, and submitting a paper application on the same date or by requesting a face-to-face interview with an eligibility worker. Dated receipts are typically provided to applicants when they submit in application in person at their local Medi-Cal county office (http://www.dhcs.ca.gov/services/medi-cal/Pages/CountyOffices.aspx).
- **Online**, through your local Medi-Cal county office web site portal system or by downloading an application (http://www.cdss.ca.gov/cdssweb/entres/forms/English/SAWS2PLUS.pdf).
- **By Telephone**, by calling your local Medi-Cal county office and requesting a paper application be mailed to your home.
- **By Mail**, by sending in to your paper application you might have downloaded online or requested by telephone to your local Medi-Cal county office.

The county is required to process your Medi-Cal application within 45 days, when your eligibility is not dependent on establishing disability or blindness.[28] When your eligibility does depend on establishing disability or blindness, the county must complete your application within 90 days.[29] It will likely take longer for individuals who must undergo a medical determination of disability before being enrolled.

[28] 22 CCR 50177
[29] 22 CCR 50177