



Senior Legal Hotline

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SENIOR LEGAL FACT SHEET

Eligibility for Medi-Cal

Tens of thousands of California seniors and people with disabilities are eligible for no-cost health care coverage from Medi-Cal, California's version of Medicaid, even if they do not receive SSI or any other needs-based public benefit. But the rules are complex and change often. Below is a current summary. If you're not sure about your status, get individual legal advice.

► *To apply for Medi-Cal, contact your county social services office.*

To be eligible for Medi-Cal with no "share of cost" (see definition below) you must

- Be over 65 or disabled.
- Have non-exempt property worth less than \$2,000, or \$3,000 for a married couple if both are applying for benefits. "Exempt" property that doesn't count includes your home, one car, personal belongings (clothing, furniture, etc.), property needed for your work, term and some other life insurance policies, prepaid burial plans and certain other items.
- Have "countable income" of less than \$1,153 a month for one person, \$1,545 for a married couple if both are applying for benefits. (*Figures current as of July 2009; watch for changes.*)

What is "countable income"?

- The calculation can be complicated, depending on type of income, some expenses and family situation. If you work, for instance, more than half of that income doesn't count; money you pay for some other forms of medical insurance can be deducted; and you can subtract part of your total household income for other non-applicant members. Call Senior Legal Hotline or other experts to find out how the rules apply to your particular situation.

If your income is just a little too high, you may have a large "share of cost"

- If your countable income is over the limit, you can get Medi-Cal help only with a very large share of cost. That means a single person would have to pay at least \$553 a month in medical costs before Medi-Cal would help.

Three steps that may help if you're a little over the limit

1. **If you join an HMO** for your Medicare or purchase some other private, health-related insurance (dental, for instance) and pay the premium yourself, you may be able to subtract the cost from your income and then qualify for no-cost Medi-Cal.
2. **Couples with total countable income under \$1,753** may be able to qualify one person for Medi-Cal with no share of cost. This can be useful if one has much higher health care bills.

Please turn the page

New development: “yo-yo effect” for beneficiaries just over the zero share of cost limit

- ▶ *If you are eligible for Medicare and Medi-Cal with no share of cost, your Medicare Part B premium (\$96.40 a month for most people) is paid by Medi-Cal. Eligible beneficiaries with a share of cost enjoyed this benefit through 2008, but no longer. Paying your Part B premium, however, reduces your countable income (definition above). Therefore, if your countable income is between \$1,153 and \$1,249 a month (between \$1,545 and \$1,737 for a couple, both Medi-Cal eligible), paying for Part B eliminates your share of cost – and the amount you paid will later be refunded to you. But because the refund puts your income back over the limit, you need to repeat the sequence, again and again.*
- ▶ *Another way to have your Part B premium paid is through a “Medicare Savings Program” called ‘QI.’ To be eligible, your income must be under \$1,218 and you can have assets up to \$4,000 (\$1,638 and \$6,000 for couples, both eligible). This avoids the “yo-yo effect” described above but doesn’t eliminate the remaining high share of cost.*

- 3. If you’re under 65 and disabled** but have even a little income from work, you may qualify for Medi-Cal with no share of cost and a small monthly premium with an income as high as \$2,256 a month for a single person. Ask your county Medi-Cal office about the “250% working disabled program.”

- ▶ *Any of these measures, if successful, will also automatically qualify you for “extra help” with Medicare’s “Part D” prescription drug program (if you have Medicare). That in itself can be a huge advantage if your drug costs are high. (You may also be eligible for “extra help” with prescriptions even with slightly higher income and/or more non-exempt assets.)*

Possible additional help from your health care provider

- If you choose to receive your Medicare benefits through a health maintenance organization (HMO) or other managed care company and are Medi-Cal eligible (even with a share of cost), you may not have to pay a monthly premium for plan membership, or you may be eligible for a discount. Check with the provider, as policies vary among them and change over time.

Some other related information

- The Medi-Cal eligibility rules for nursing home care are very different from what is explained above – and changing. Be sure to get accurate, updated information if this might affect you.
- The state will seek to recover from your estate, after your death, the value of any Medi-Cal benefits received when you were over age 55 and/or nursing home care it paid for that you received at any age. To understand how this might affect you and your heirs, obtain legal advice from a nonprofit agency that does not sell estate planning services.



If you are over 60 in California, you can get free advice by phone from the Senior Legal Hotline regarding your questions about Medi-Cal, including help discovering whether you are eligible and deciding whether you should apply. You can also ask about any other legal issue. Call (916) 551-2140 in Sacramento or (800) 222-1753 toll-free in California, Mon.-Fri. 9 to 12 and 1 to 4, and until 7 p.m. on Thursdays. Or submit your question by e-mail from our web site, www.seniorlegalhotline.org.