

CA - Submission Package - CA2025MS0001O - (CA-25-0037) - Eligibility

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CMS-10434 OMB 0938-1188

Package Information

Package ID CA2025MS0001O
Program Name N/A
SPA ID CA-25-0037
Version Number 1
Submitted By Angeli Sus Lee

Submission Type Official
State CA
Region San Francisco, CA
Package Status Review
Submission Date 9/29/2025
Regulatory Clock 90 days remain
Review Status Review 1

Submission - Summary

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID CA2025MS0001O
Submission Type Official
Approval Date N/A
Superseded SPA ID N/A

SPA ID CA-25-0037
Initial Submission Date 9/29/2025
Effective Date N/A

Reviewable Unit Instructions

State Information

State/Territory Name: California

Medicaid Agency Name: California Department of Health Care Services

Submission Component

- ☒ State Plan Amendment
- ☒ Medicaid
- ☐ CHIP

Submission - Summary

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	N/A
Superseded SPA ID	N/A		
Reviewable Unit Instructions			

SPA ID and Effective Date

SPA ID CA-25-0037

Reviewable Unit	Proposed Effective Date	Superseded SPA ID
Medically Needy Resource Level	1/1/2026	CA-21-0053
Mandatory Eligibility Groups	1/1/2026	CA-23-0012
Qualified Medicare Beneficiaries	1/1/2026	CA-23-0012
Specified Low Income Medicare Beneficiaries	1/1/2026	CA-23-0012
Qualifying Individuals	1/1/2026	CA-23-0012
Optional Eligibility Groups	1/1/2026	CA-23-0012
Individuals Eligible for but Not Receiving Cash Assistance	1/1/2026	CA-23-0012
Age and Disability-Related Poverty Level	1/1/2026	CA-23-0012
Work Incentives	1/1/2026	CA-23-0012
Medically Needy Pregnant Women	1/1/2026	CA-23-0012
Medically Needy Children under Age 18	1/1/2026	CA-23-0012
Medically Needy Reasonable Classifications of Individuals under Age 21	1/1/2026	CA-23-0012
Medically Needy Parents and Other Caretaker Relatives	1/1/2026	CA-23-0012
Medically Needy Populations Based on Age, Blindness or Disability	1/1/2026	CA-23-0012

Submission - Summary

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Executive Summary

Summary Description Including Goals and Objectives SPA 25-0037 proposes to implement Assembly Bill (AB) 116 (2025). AB 116 aims to reinstate a resource standard for Non-Modified Adjusted Gross Income (Non-MAGI) based programs. As authorized under Section 1902(a)(10)(C)(i) of the Social Security Act, the resource standard is reinstated for California’s Medically Needy programs. As authorized under Section 1902(r)(2) of the Social Security Act, a resource standard, inclusive of resource disregard, is reinstated for all other Non-MAGI based programs

Federal Budget Impact and Statute/Regulation Citation

Federal Budget Impact

	Federal Fiscal Year	Amount
First	2026	\$-132215000
Second	2027	\$-384523000

Federal Statute / Regulation Citation

1902(r)(2) of the Social Security Act

Supporting documentation of budget impact is uploaded (optional).

Name	Date Created	
No items available		

Submission - Summary

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Reviewable Unit Instructions

Governor's Office Review

- ☐ No comment
- ☐ Comments received
- ☐ No response within 45 days
- ☒ Other

Describe The Governor's Office does not wish to review the State Plan Amendment.

Submission - Medicaid State Plan

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

CMS-10434 OMB 0938-1188

The submission includes the following:

- ☐ Administration
- ☒ Eligibility

☐ Income/Resource Methodologies

☒ Income/Resource Standards

☐ AFDC Income Standards

☐ Medically Needy Income Level

☐ Handling of Excess Income (Spenddown)

☒ Medically Needy Resource Level

Reviewable Unit Name	Included in Another Source Type Submission Package
Medically Needy Resource Level	APPROVED

☒ Mandatory Eligibility Groups

Reviewable Unit Name	Included in Another Source Type Submission Package
Mandatory Eligibility Groups	APPROVED

☒ Optional Eligibility Groups

Reviewable Unit Name	Included in Another Source Type Submission Package
Optional Eligibility Groups	APPROVED

- ☐ Non-Financial Eligibility
- ☐ Eligibility and Enrollment Processes

- ☐ Benefits and Payments

Submission - Public Comment

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Indicate whether public comment was solicited with respect to this submission.

- ☒ Public notice was not federally required and comment was not solicited
- ☐ Public notice was not federally required, but comment was solicited
- ☐ Public notice was federally required and comment was solicited

Submission - Tribal Input

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One or more Indian Health Programs or Urban Indian Organizations furnish health care services in this state

- ☒ Yes
- ☐ No

This state plan amendment is likely to have a direct effect on Indians, Indian Health Programs or Urban Indian Organizations, as described in the state consultation plan.

- ☒ Yes
- ☐ No

☒ The state has solicited advice from Indian Health Programs and/or Urban Indian Organizations, as required by section 1902(a)(73) of the Social Security Act, and in accordance with the state consultation plan, prior to submission of this SPA.

Complete the following information regarding any solicitation of advice and/or tribal consultation conducted with respect to this submission:

Solicitation of advice and/or Tribal consultation was conducted in the following manner:

☒ All Indian Health Programs

Date of solicitation/consultation:	Method of solicitation/consultation:
8/27/2025	Tribal and Designees of Indian Health Programs Quarterly Webinar

☒ All Urban Indian Organizations

Date of solicitation/consultation:	Method of solicitation/consultation:
8/27/2025	Tribal and Designees of Indian Health Programs Quarterly Webinar

States are not required to consult with Indian tribal governments, but if such consultation was conducted voluntarily, provide information about such consultation below:

☒ All Indian Tribes

Date of consultation:	Method of consultation:
8/27/2025	Tribal and Designees of Indian Health Programs Quarterly Webinar

The state must upload copies of documents that support the solicitation of advice in accordance with statutory requirements, including any notices sent to Indian Health Programs and/or Urban Indian Organizations, as well as attendee lists if face-to-face meetings were held. Also upload documents with comments received from Indian Health Programs or Urban Indian Organizations and the state's responses to any issues raised. Alternatively indicate the key issues and summarize any comments received below and describe how the state incorporated them into the design of its program.

Name	Date Created	
SPA 25-0037 - (Tribal Notice)	8/25/2025 7:14 PM EDT	

Indicate the key issues raised (optional)

- ☐ Access
- ☐ Quality
- ☐ Cost
- ☐ Payment methodology

- ☐ Eligibility
- ☐ Benefits
- ☐ Service delivery
- ☐ Other issue

Medicaid State Plan Eligibility

Income/Resource Standards

Medically Needy Resource Level

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	System-Derived		

Reviewable Unit Instructions

A. Medically Needy Resource Level Structure

1. The state employs a single resource level for the medically needy.
2. The resource level is equal to or higher than the lowest resource standard used under the most closely related cash assistance program.

Medically Needy Resource Level

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Reviewable Unit Instructions

B. Resource Level Used

The level used is:

Household size	Standard
2	\$195000.00
1	\$130000.00
3	\$260000.00
4	\$325000.00
5	\$390000.00
6	\$455000.00
7	\$520000.00
8	\$585000.00
9	\$650000.00
10	\$715000.00

The state uses an additional incremental amount for larger household sizes.

- ☐ Yes
- ☒ No

Medically Needy Resource Level

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Reviewable Unit Instructions

C. Additional Information (optional)

Medicaid State Plan Eligibility

Mandatory Eligibility Groups

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	System-Derived		

Reviewable Unit Instructions

Mandatory Coverage

A. The state provides Medicaid to mandatory groups of individuals. The mandatory groups covered are:

Families and Adults

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Infants and Children under Age 19		☒	☐	☐	CONVERTED
Parents and Other Caretaker Relatives		☒	☐	☐	CONVERTED
Pregnant Women		☒	☐	☐	APPROVED
Deemed Newborns		☒	☐	☐	NEW
Children with Title IV-E Adoption Assistance, Foster Care or Guardianship Care		☒	☐	☐	NEW
Former Foster Care Children		☒	☐	☐	APPROVED
Transitional Medical Assistance		☒	☐	☐	NEW
Extended Medicaid due to Spousal Support Collections		☒	☐	☐	NEW

Aged, Blind and Disabled

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
SSI Beneficiaries		☒	☐	☐	NEW
Closed Eligibility Groups		☒	☐	☐	NEW
Individuals Deemed To Be Receiving SSI		☒	☐	☐	NEW
Working Individuals under 1619(b)		☒	☐	☐	NEW
Qualified Medicare Beneficiaries		☒	☒	☐	APPROVED
Qualified Disabled and Working Individuals		☒	☐	☐	NEW

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Specified Low Income Medicare Beneficiaries				☐	APPROVED
Qualifying Individuals				☐	APPROVED

Mandatory Eligibility Groups

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Reviewable Unit Instructions

B. The state elects the Adult Group, described at 42 CFR 435.119.

☒ Yes ☐ No

Families and Adults

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Adult Group		☒	☐	☐	CONVERTED

C. Additional Information (optional)

Eligibility Groups Deselected from Coverage

The following eligibility groups were previously covered in the source approved version of the state plan and deselected from coverage as part of this submission package:

- N/A

Medicaid State Plan Eligibility

Eligibility Groups - Mandatory Coverage

Qualified Medicare Beneficiaries

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Individuals with income equal to or less than 100% of the FPL, who are entitled to Medicare Part A, and who qualify for Medicare cost-sharing.

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The state covers the mandatory qualified Medicare beneficiaries group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

1. Are entitled to hospital insurance benefits under part A of title XVIII (Medicare Part A), including individuals who have purchased a premium to enroll in Part A.
2. Have income and resources at or below the standard for this group.

Qualified Medicare Beneficiaries

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B. Financial Methodologies

1. SSI methodologies are used in calculating household income. Please refer as necessary to Non-MAGI Methodologies, completed by the state.

2. Less restrictive methodologies are used in calculating countable income.

- ☒ Yes
- ☐ No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
Income used to pay spousal or child support	Reference to Supplement 3 of Attachment 2.6. - A: The agency uses the same income disregards as used in SSI except as follows: Income which must, by court order or by agreement with a district attorney (DA), be used to pay spousal or child support is held to be unavailable to set the current needs of ABD-MN applicants and beneficiaries. In these cases the lower of 1) the amount ordered by the court or the DA agreement, or 2) the amount actually paid is deducted from the reported income.
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III), and 1905(p).

Name of income type:	Description:
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

3. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or (2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

- ☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.
- ☒ A motor vehicle is disregarded under specific conditions.
- ☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan.

Name of resource type:	Description:
	The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate	Full resource type name: Bona fide, good faith effort to sell or liquidate resource As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country:

Name of resource type:	Description:
	(1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy...	Full resource type name: Precertified long-term care insurance policy or health care service plan contract As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category.

Name of resource type:	Description:
	The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.

Qualified Medicare Beneficiaries

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Approval Date	N/A	Effective Date	1/1/2026
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	System-Derived		

Reviewable Unit Instructions

C. Income Standard Used

The amount of the income standard for this group is 100% FPL.

D. Resource Standard Used

The resource standard is the same used to determine eligibility for the Medicare Part D full-benefit low-income subsidy (LIS) (but without regard to the life insurance policy exclusion applied in LIS resource eligibility determinations). This standard is three times the SSI resource standard, adjusted annually in accordance with the consumer price index.

E. Medical Assistance Provided

Medical assistance is limited to payment of co-insurance and deductibles for Medicare Parts A, B and C and payment for the premiums for Medicare Parts A and B.

Medical assistance begins the first day of the month following the month in which the individual is determined to qualify for this eligibility group.

Qualified Medicare Beneficiaries

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

F. Additional Information (optional)

Medicaid State Plan Eligibility

Eligibility Groups - Mandatory Coverage

Specified Low Income Medicare Beneficiaries

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Individuals with income above 100% and below 120% of the FPL who are entitled to Medicare Part A, who qualify for payment of Medicare Part B premiums.

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

The state covers the mandatory specified low income Medicare beneficiaries group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

1. Would qualify as Qualified Medicare Beneficiaries (described in section 1905(p)(1) of the Act), except that their income exceeds the income level for that eligibility group.
2. Have income below the income standard and resources at or below the resource standard for this group.

Specified Low Income Medicare Beneficiaries

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

B. Financial Methodologies

1. SSI methodologies are used in calculating household income. Please refer as necessary to Non-MAGI Methodologies, completed by the state.

2. Less restrictive methodologies are used in calculating countable income.

- ☒ Yes
- ☐ No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
Income used to pay spousal or child support	Reference to Supplement 3 of Attachment 2.6. - A: The agency uses the same income disregards as used in SSI except as follows: Income which must, by court order or by agreement with a district attorney (DA), be used to pay spousal or child support is held to be unavailable to set the current needs of ABD-MN applicants and beneficiaries. In these cases the lower of 1) the amount ordered by the court or the DA agreement, or 2) the amount actually paid is deducted from the reported income.
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III), and 1905(p).

Name of income type:	Description:
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

3. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or (2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

- ☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.
- ☒ A motor vehicle is disregarded under specific conditions.
- ☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan.

Name of resource type:	Description:
	The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate	Full resource type name: Bona fide, good faith effort to sell or liquidate resource As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country:

Name of resource type:	Description:
	(1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy...	Full resource type name: Precertified long-term care insurance policy or health care service plan contract As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category.

Name of resource type:	Description:
Universal Guaranteed Income	The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)]. Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.

Specified Low Income Medicare Beneficiaries

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
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	System-Derived		

Reviewable Unit Instructions

C. Income Standard Used

Family income must be above 100% FPL and below 120% FPL.

D. Resource Standard Used

The resource standard is the same used to determine eligibility for the Medicare Part D full-benefit low-income subsidy (LIS) (but without regard to the life insurance policy exclusion applied in LIS resource eligibility determinations). This standard is three times the SSI resource standard, adjusted annually in accordance with the consumer price index.

E. Medical Assistance Provided

Medical assistance is limited to payment for Medicare Part B premiums.

Specified Low Income Medicare Beneficiaries

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
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	System-Derived		

Reviewable Unit Instructions

F. Additional Information (optional)

Medicaid State Plan Eligibility

Eligibility Groups - Mandatory Coverage

Qualifying Individuals

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Individuals with income at or above 120% and below 135% of the FPL who are entitled to Medicare Part A, who qualify for payment of Medicare Part B premiums.

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
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	System-Derived		

Reviewable Unit Instructions

The state covers the mandatory qualifying individuals group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet all of the following criteria:

1. Would qualify as Qualified Medicare Beneficiaries (described in section 1905(p)(1) of the Act), except that their income exceeds the income level for that eligibility group.
2. Are not otherwise eligible for Medicaid under the state plan.
3. Have income below the income standard and resources at or below the resource standard for this group.

Qualifying Individuals

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
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	System-Derived		

Reviewable Unit Instructions

B. Financial Methodologies

1. SSI methodologies are used in calculating household income. Please refer as necessary to Non-MAGI Methodologies, completed by the state.

2. Less restrictive methodologies are used in calculating countable income.

- ☒ Yes
- ☐ No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
Income used to pay spousal or child support	Reference to Supplement 3 of Attachment 2.6. - A: The agency uses the same income disregards as used in SSI except as follows: Income which must, by court order or by agreement with a district attorney (DA), be used to pay spousal or child support is held to be unavailable to set the current needs of ABD-MN applicants and beneficiaries. In these cases the lower of 1) the amount ordered by the court or the DA agreement, or 2) the amount actually paid is deducted from the reported income.
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III), and 1905(p).

Name of income type:	Description:
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

3. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or (2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

- ☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.
- ☒ A motor vehicle is disregarded under specific conditions.
- ☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan.

Name of resource type:	Description:
	The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate	Full resource type name: Bona fide, good faith effort to sell or liquidate resource As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country:

Name of resource type:	Description:
	(1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy...	Full resource type name: Precertified long-term care insurance policy or health care service plan contract As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category.

Name of resource type:	Description:
Universal Guaranteed Income	The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)]. Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.

Qualifying Individuals

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

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Submission Type	Official	Initial Submission Date	9/29/2025
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Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

C. Income Standard Used

Family income must be at or above 120% FPL and below 135% FPL.

D. Resource Standard Used

The resource standard is the same used to determine eligibility for the Medicare Part D full-benefit low-income subsidy (LIS) (but without regard to the life insurance policy exclusion applied in LIS resource eligibility determinations). This standard is three times the SSI resource standard, adjusted annually in accordance with the consumer price index.

E. Medical Assistance Provided

Medical assistance is limited to payment for Medicare Part B premiums.

Qualifying Individuals

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F. Additional Information (optional)

Medicaid State Plan Eligibility

Optional Eligibility Groups

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Reviewable Unit Instructions

A. Options for Coverage

The state provides Medicaid to specified optional groups of individuals.

☒ Yes ☐ No

The optional eligibility groups covered in the state plan are (elections made in this screen may not be comprehensive during the transition period from the paper-based state plan to MACPro):

Families and Adults

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Optional Coverage of Parents and Other Caretaker Relatives		☐	☐	☐	NEW
Reasonable Classifications of Individuals under Age 21		☒	☐	☐	CONVERTED
Children with Non-IV-E Adoption Assistance		☒	☐	☐	CONVERTED
Independent Foster Care Adolescents		☒	☐	☐	CONVERTED
Optional Targeted Low Income Children		☒	☐	☐	CONVERTED
Individuals above 133% FPL under Age 65		☐	☐	☐	NEW
Individuals Needing Treatment for Breast or Cervical Cancer		☒	☐	☐	NEW
Individuals Eligible for Family Planning Services		☒	☐	☐	CONVERTED
Individuals with Tuberculosis		☒	☐	☐	CONVERTED
Individuals Electing COBRA Continuation Coverage		☒	☐	☐	NEW

Aged, Blind and Disabled

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Individuals Eligible for but Not Receiving Cash Assistance		☒	☒	☐	APPROVED

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Individuals Eligible for Cash Except for Institutionalization		☐	☐	☐	NEW
Individuals Receiving Home and Community-Based Waiver Services under Institutional Rules		☒	☐	☐	NEW
Optional State Supplement Beneficiaries		☒	☐	☐	NEW
Individuals in Institutions Eligible under a Special Income Level		☐	☐	☐	NEW
PACE Participants		☒	☐	☐	NEW
Individuals Receiving Hospice		☐	☐	☐	NEW
Children under Age 19 with a Disability		☐	☐	☐	NEW
Age and Disability-Related Poverty Level		☒	☒	☐	APPROVED
Work Incentives		☒	☒	☐	APPROVED
Ticket to Work Basic		☐	☐	☐	NEW
Ticket to Work Medical Improvements		☐	☐	☐	NEW
Family Opportunity Act Children with a Disability		☐	☐	☐	NEW
Individuals Receiving State Plan Home and Community-Based Services		☐	☐	☐	NEW
Individuals Receiving State Plan Home and Community-Based Services Who Are Otherwise Eligible for HCBS Waivers		☐	☐	☐	NEW

Optional Eligibility Groups

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Reviewable Unit Instructions

B. Medically Needy Options for Coverage

The state provides Medicaid to specified groups of individuals who are medically needy.

☒ Yes ☐ No

The medically needy eligibility groups covered in the state plan are:

1. Mandatory Medically Needy:

Families and Adults

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Medically Needy Pregnant Women		☒	☒	☐	APPROVED
Medically Needy Children under Age 18		☒	☒	☐	APPROVED

Aged, Blind and Disabled

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Protected Medically Needy Individuals Who Were Eligible in 1973		☒	☐	☐	NEW

2. Optional Medically Needy:

Families and Adults

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Medically Needy Reasonable Classifications of Individuals under Age 21		☒	☒	☐	APPROVED
Medically Needy Parents and Other Caretaker Relatives		☒	☒	☐	APPROVED

Aged, Blind and Disabled

Eligibility Group Name		Covered In State Plan	Include RU In Package ?	Included in Another Submission Package	Source Type ?
Medically Needy Populations Based on Age, Blindness or Disability		☒	☒	☐	APPROVED

Optional Eligibility Groups

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Reviewable Unit Instructions

C. Additional Information (optional)

Eligibility Groups Deselected from Coverage

The following eligibility groups were previously covered in the source approved version of the state plan and deselected from coverage as part of this submission package:

- N/A

Medicaid State Plan Eligibility

Eligibility Groups - Options for Coverage

Individuals Eligible for but Not Receiving Cash Assistance

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Individuals who are eligible for but not receiving federal cash assistance or an optional state supplement.

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Reviewable Unit Instructions

The state covers the optional Individuals Eligible for but Not Receiving Cash Assistance eligibility group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

1. Meet the eligibility requirements of at least one of the following cash assistance programs:

☒ a. SSI

☒ b. Optional State Supplement

☐ c. AFDC
2. Do not receive cash assistance under these programs.

Individuals Eligible for but Not Receiving Cash Assistance

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Reviewable Unit Instructions

B. Individuals Covered

1. The state covers all individuals who meet the characteristics described in section A.

- ☐ Yes
- ☒ No

2. The state covers the following populations:

- ☒ a. Individuals age 65 or older
- ☒ b. Individuals who have blindness
- ☒ c. Individuals who have a disability
- ☐ d. All children under a specified age limit:
- ☐ e. Reasonable classifications of children
- ☐ f. Parents and other caretaker relatives
- ☐ g. Pregnant women
- ☐ h. Other population

Individuals Eligible for but Not Receiving Cash Assistance

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Reviewable Unit Instructions

C. Financial Methodologies

1. In calculating household income and resources for individuals who are seeking eligibility on the basis of being age 65 or older or having blindness or disability, SSI methodologies are used. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
3. Less restrictive methodologies are used in calculating countable income.

- ☒ Yes
- ☐ No

The less restrictive income methodologies are:

- ☒ General income disregard:

Name of disregard:	Description:
Blind FPL Expansion	Disregard the amount of countable income over 100% FPL up to 138% FPL. If such disregards are not sufficient to result in an effective income level equal to the SSI/SSP payment level for a disabled individual or, in the case of a couple, the SSI/SSP payment level for a disabled couple, then an income disregard sufficient to achieve that result [shall be applied].

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III), and 1905(p).
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)

Name of income type:	Description:
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

☒ The following less restrictive methodologies are used:

Name of methodology:	Description:
Deductions for ineligible family members	Disregard and amount equal to the appropriate figure below, based on household size. This disregard description clarifies the existing policy listed on pages 6, 6a, and 7 of Supplement 8a to Attachment 2.6-A of the state plan. Household of 1: \$600 Household of 2: \$750 Household of 2 adults*: \$934 Household of 3: \$934 Household of 4: \$1,100 Household of 5: \$1,259 Household of 6: \$1,417 Household of 7: \$1,550 Household of 8: \$1,692 Household of 9: \$1,825 Household of 10: \$1,959 *A household of two adults where at least one person is aged, blind, or disabled utilizes the deduction for a household size of 3, as permitted by 42 CFR § 435.1007(c).
Medicare Part B Disregard	For the Section 1902 (a)(10)(A)(ii)(I) and (X) eligibility groups, disregard from an individual's income the amount of such individual's incurred Medicare Part B premium.

4. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
☐ No

The less restrictive resource methodologies are:

- ☒ All resources are disregarded. No resource test is applied.
- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements.

Name of methodology:	Description:
	(b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or (2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.

☒ A motor vehicle is disregarded under specific conditions.

☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

Name of resource type:	Description:
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan. The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

Name of resource type:	Description:
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate resource	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.
Independence Accounts	Independence Accounts established under the Work Incentives program shall be disregarded in the resource eligibility determination, subject to the limitation identified below: • Actions involving the accounts are subject to standard eligibility rules relating to resources (e.g., a transfer from the account for less than fair market value would be subject to transfer-of-asset rules).
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi

Name of resource type:	Description: Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country: (1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy or health care service plan contract	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category. The amount of the disregard is equal to the lesser of the following

Name of resource type:	Description: amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VIII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Resources exempted under 1902(a)(10)(A)(ii)(XIII)	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 14: All resources exempted from consideration as resources for individuals in the optional coverage group under section 1902(a)(10)(A)(ii)(XIII) of the Act on the basis that they are employer or individual retirement arrangements authorized under the Internal Revenue Code shall continue to be exempt from consideration as resources in all other coverage groups subject to the provisions of 1902(r)(2) under which the individual later becomes eligible for medical assistance where the basis for that eligibility is the individual's age, blindness, or disability. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii)(I) • 1902(a)(10)(A)(ii)(X) • 1902(a)(10)(C)(i)

Individuals Eligible for but Not Receiving Cash Assistance

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

D. Income Standard Used

The income standard used is the standard of the most closely related cash assistance program.

E. Resource Standard Used

The resource standard used is the standard of the most closely related cash assistance program.

Individuals Eligible for but Not Receiving Cash Assistance

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

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	System-Derived		

Reviewable Unit Instructions

F. Additional Information (optional)

Medicaid State Plan Eligibility

Eligibility Groups - Options for Coverage

Age and Disability- Related Poverty Level

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Individuals who are age 65 or older or who have a disability, with income no higher than 100% FPL.

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

The state covers the optional Age and Disability-Related Poverty Level eligibility group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

1. Meet at least one of the following condition(s):
 - a. Are age 65 or older; or
 - b. Have a disability.
2. Have income and resources at or below the standard for this group.

Age and Disability- Related Poverty Level

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
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Reviewable Unit Instructions

B. Individuals Covered

1. The state covers all individuals who meet the characteristics described in section A.

- ☒ Yes
- ☐ No

Age and Disability- Related Poverty Level

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

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	System-Derived		

Reviewable Unit Instructions

C. Financial Methodologies

1. SSI methodologies are used in calculating household income and resources. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
2. Less restrictive methodologies are used in calculating countable income.

- ☒ Yes
- ☐ No

a. The state uses the same less restrictive income methodologies for all individuals covered.

- ☒ Yes
- ☐ No

The less restrictive income methodologies are:

- ☒ General income disregard:

Name of disregard:	Description:
Aged and Disabled FPL Expansion	Disregard the amount of countable income over 100% FPL up to 138% FPL. If such disregards are not sufficient to result in an effective income level equal to the SSI/SSP payment level for a disabled individual or, in the case of a couple, the SSI/SSP payment level for a disabled couple, then an income disregard sufficient to achieve that result [shall be applied].

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program - Enhanced) shall be exempt. These coverage groups are:

Name of income type:	Description:
	1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III), and 1905(p).
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

☒ The following less restrictive methodologies are used:

Name of methodology:	Description:
Deductions for ineligible family members	Disregard and amount equal to the appropriate figure below, based on household size. This disregard description clarifies the existing policy listed on pages 6, 6a, and 7 of Supplement 8a to Attachment 2.6-A of the state plan. Household of 1: \$600 Household of 2: \$750 Household of 2 adults*: \$934 Household of 3: \$934 Household of 4: \$1,100 Household of 5: \$1,259 Household of 6: \$1,417 Household of 7: \$1,550 Household of 8: \$1,692 Household of 9: \$1,825 Household of 10: \$1,959 *A household of two adults where at least one person is aged, blind, or disabled utilizes the deduction for a household size of 3, as permitted by 42 CFR § 435.1007(c).
Medicare Part B Disregard	For the Section 1902 (a)(10)(A)(ii)(I) and (X) eligibility groups, disregard from an individual's income the amount of such individual's incurred Medicare Part B premium.

3. Less restrictive methodologies are used in calculating countable resources.

☒ Yes

☐ No

a. The state uses the same less restrictive resource methodologies for all individuals covered.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

- ☒ All resources are disregarded. No resource test is applied.
- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or (2).

Name of methodology:	Description:
	The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.

☒ A motor vehicle is disregarded under specific conditions.

☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following

Name of resource type:	Description:
	coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan. The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

Name of resource type:	Description:
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate resource	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are

Name of resource type:	Description:
	otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.
Independence Accounts	Independence Accounts established under the Work Incentives program shall be disregarded in the resource eligibility determination, subject to the limitation identified below: • Actions involving the accounts are subject to standard eligibility rules relating to resources (e.g., a transfer from the account for less than fair market value would be subject to transfer-of-asset rules).
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country: (1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the

Name of resource type:	Description:
	United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy or health care service plan contract	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless:

Name of resource type:	Description: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category. The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VIII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Resources exempted under 1902(a)(10)(A)(ii)(XIII)	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 14: All resources exempted from consideration as resources for individuals in the optional coverage group under section 1902(a)(10)(A)(ii)(XIII) of the Act on the basis that they are employer or individual retirement arrangements authorized under the Internal Revenue Code shall continue to be exempt from consideration as resources in all other coverage groups subject to the provisions of 1902(r)(2) under which the individual later becomes eligible for medical assistance where the basis for that eligibility is the individual's age, blindness, or disability. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii)(I) • 1902(a)(10)(A)(ii)(X) • 1902(a)(10)(C)(i)

Age and Disability- Related Poverty Level

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

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Submission Type	Official	Initial Submission Date	9/29/2025
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	System-Derived		

Reviewable Unit Instructions

D. Income Standard Used

The income standard for this eligibility group is:

- ☒ 1. 100% FPL
- ☐ 2. A lower percent of the FPL:

Age and Disability- Related Poverty Level

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Reviewable Unit Instructions

E. Resource Standard Used

The resource standard used is:

- ☒ 1. The resource limit for the SSI program; or
- ☐ 2. The resource limit used in the state's medically needy program, if higher.

Age and Disability- Related Poverty Level

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Reviewable Unit Instructions

F. Additional Information (optional)

Eligibility Groups - Options for Coverage

Work Incentives

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Individuals with a disability with income below 250% of the FPL, who would qualify for SSI except for earned income.

Package Header

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Reviewable Unit Instructions

The state covers the optional Work Incentives eligibility group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

- 1. Have earned income.
- 2. Meet the SSI definition of disability, but for earned income.
- 3. Meet income and resource standards following a two-step process, which includes:
 - a. Step One - A comparison of family net income to 250% FPL; and
 - b. Step Two - A comparison of individual net income and resources to the SSI standards, excluding earned income.

Work Incentives

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

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	System-Derived		

Reviewable Unit Instructions

B. Step One Financial Methodologies and Income Test

1. Financial methodologies

- a. SSI methodologies are used in calculating family income. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
- b. Less restrictive methodologies are used in calculating countable income.

Yes

No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
Disability-based income disregard	As referenced in Supplement 8a to Attachment 2.6 A, Page 5: For the working disabled covered under the provisions of Section 1902(a)(10)(A)(ii)(XIII) of the Act (1) As permitted under Section 1902 (r)(2); all disability income of the disabled individual is exempted (e.g. federal and state disability income and private disability income such as an indemnity payment from an insurance company based on the individual's disability). (2) As permitted under Section 1902(r)(2), social security disability income that converts to retirement income upon the retirement of the individual, including any increases in the amount of that income, shall be exempt.
2009 SSI/SSP Payment Levels	As referenced in Supplement 8a to Attachment 2.6-A Page 5a: Beginning on July 1, 2009, an amount of otherwise countable income equal to the difference between the applicable SSI/SSP payment level and the applicable SSI/SSP payment level in effect on June 30, 2009 shall be exempt until and unless the SSI/SSP payment levels increase to a point that is above the levels in effect on June 30, 2009. This exemption shall be applied to the following coverage groups: • 1902(a)(10)(A)(ii)(XIII)
In-home Caregiver Wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These

Name of income type:	Description:
	exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III), and 1905(p).
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

2. Income Test

Family net income must be less than 250% FPL. Please refer as necessary to Non-MAGI Methodologies for the definition of family size.

Work Incentives

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

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Reviewable Unit Instructions

C. Step Two Financial Methodologies and Income/Resource Test

1. Financial methodologies

- a. SSI methodologies are used in calculating income and resources, except that earned income is not counted. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
- b. Less restrictive methodologies are used in calculating countable income.

☒ Yes

☐ No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
Disability-based income disregard	As referenced in Supplement 8a to Attachment 2.6 A, Page 5: For the working disabled covered under the provisions of Section 1902(a)(10)(A)(ii)(XIII) of the Act (1) As permitted under Section 1902 (r)(2); all disability income of the disabled individual is exempted (e.g. federal and state disability income and private disability income such as an indemnity payment from an insurance company based on the individual's disability). (2) As permitted under Section 1902(r)(2), social security disability income that converts to retirement income upon the retirement of the individual, including any increases in the amount of that income, shall be exempt.
2009 SSI/SSP Payment Levels	As referenced in Supplement 8a to Attachment 2.6-A Page 5a: Beginning on July 1, 2009, an amount of otherwise countable income equal to the difference between the applicable SSI/SSP payment level and the applicable SSI/SSP payment level in effect on June 30, 2009 shall be exempt until and unless the SSI/SSP payment levels increase to a point that is above the levels in effect on June 30, 2009. This exemption shall be applied to the following coverage groups: • 1902(a)(10)(A)(ii)(XIII)
In-home Caregiver Wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These

Name of income type:	Description:
	exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III), and 1905(p).
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

c. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

☒ The state uses a less restrictive methodology with respect to resources set aside for burial.

☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or (2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage

Name of methodology:	Description:
	groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.

☒ A motor vehicle is disregarded under specific conditions.

☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan. The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

Name of resource type:	Description:
Bona fide, good faith effort to sell or liquidate resource	• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p) As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country: (1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Independence Accounts	Exclude the value of all retirement accounts while the account owner is receiving coverage under section 1902(a)(10)(A)(ii)(XIII) of the Act.

Name of resource type:	Description:
	For individuals enrolled in the eligibility category described at section 1902(a)(10)(A)(ii)(XIII) of the Act, the following resource methodology applies: • A resource disregard will apply to an account established by the beneficiary after and during the individual's enrollment in the category. The individual shall designate the account to the state Medicaid agency as his or her Independence Account. • These accounts will be held separately from non-exempt resources in accounts for which prior approval has been obtained from the Department. • There is no minimum or maximum limit to establish the account. • There is no minimum or maximum limit that can be deposited to the existing account
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy or health care service plan contract	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category. The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VIII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental

Name of resource type:	Description:
	Payment. or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Separately identified account	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: All retained earned income of a disabled individual that is held in a separately identified account and that is not commingled with any other resources shall be exempt from consideration as resources as permitted by Section 1902(r)(2).
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.

2. Income Test

For individuals who pass Step One, in Step Two, the individual's unearned income (plus deemed income, if appropriate) must be less than one of the following income standards:

- ☐ a. The SSI income standard.
- ☒ b. The income standard of the state supplement program.

3. Resource Test

The individual's resources must be less than the SSI resource standard.

Work Incentives

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

D. Premiums and Cost Sharing

Requirements for premiums and cost sharing for this group are found in the premium and cost sharing sections of the state plan.

Work Incentives

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

E. Additional Information (optional)

Requirements for premiums and cost sharing for this group are found in the premium and cost sharing sections as well as page 12d of Attachment 2.6-A of the state plan.

Medicaid State Plan Eligibility

Eligibility Groups - Medically Needy

Medically Needy Pregnant Women

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Woman who are pregnant or post-partum who would qualify under the state's Pregnant Women eligibility group, except for income.

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

The state covers the Medically Needy Pregnant Women eligibility group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

1. Are pregnant or post-partum, as defined in 42 CFR 435.4.
2. Would qualify under the Pregnant Women eligibility group, except for income.
3. Are not otherwise eligible for categorically needy coverage under the state plan.
4. Have income at or below the medically needy income level and resources at or below the medically needy resource level.

Medically Needy Pregnant Women

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

B. Financial Methodologies

1. The financial methodology used is:
- ☒ a. AFDC methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.

☐ b. MAGI-like methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
2. Less restrictive methodologies are used in calculating countable income.
- ☒ Yes

☐ No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III) , and 1905(p).
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

- ☒ The following less restrictive methodologies are used:

Name of methodology:	Description:
Deductions for ineligible family members	Disregard and amount equal to the appropriate figure below, based on household size. This disregard description clarifies the existing policy listed on pages 6, 6a, and 7 of Supplement 8a to Attachment 2.6-A of the state plan. Household of 1: \$600 Household of 2: \$750 Household of 2 adults*: \$934 Household of 3: \$934 Household of 4: \$1,100 Household of 5: \$1,259 Household of 6: \$1,417 Household of 7: \$1,550 Household of 8: \$1,692 Household of 9: \$1,825 Household of 10: \$1,959 *A household of two adults where at least one person is aged, blind, or disabled utilizes the deduction for a household size of 3, as permitted by 42 CFR § 435.1007(c).

3. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

- ☒ All resources are disregarded. No resource test is applied.
- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or

Name of methodology:	Description:
	(2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.

☒ A motor vehicle is disregarded under specific conditions.

☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Bona fide, good faith effort to sell or liquidate resource	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.
Independence Accounts	Independence Accounts established under the Work Incentives program shall be disregarded in the resource eligibility determination, subject to the limitation identified below: • Actions involving the accounts are subject to standard eligibility rules relating to resources (e.g., a transfer from the account for less than fair market value would be subject to transfer-of-asset rules).
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits.

Name of resource type:	Description: A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country: (1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Resources exempted under 1902(a)(10)(A)(ii)(XIII)	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 14: All resources exempted from consideration as resources for individuals in the optional coverage group under section 1902(a)(10)(A)(ii)(XIII) of the Act on the basis that they are employer or individual retirement arrangements authorized under the Internal Revenue Code shall continue to be exempt from consideration as resources in all other coverage groups subject to the provisions of 1902(r)(2) under which the individual later becomes eligible for medical assistance where the basis for that eligibility is the individual's age, blindness, or disability. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii)(I) • 1902(a)(10)(A)(ii)(X) • 1902(a)(10)(C)(i)

Name of resource type:	Description:
Precertified long-term care insurance policy or health care service plan contract	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category. The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VIII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient,

Name of resource type:	Description:
	or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan. The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

Medically Needy Pregnant Women

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

C. Income Standard Used

The income standard used for this group is described in the Medically Needy Income Level RU.

D. Resource Standard Used

The resource standard used for this group is described in the Medically Needy Resource Level RU.

E. Spenddown

The state allows individuals to deduct incurred medical and remedial expenses (spend down) to become eligible under this group. Spenddown is defined in the Handling of Excess Income (Spenddown) RU.

Medically Needy Pregnant Women

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

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Reviewable Unit Instructions

F. Additional Information (optional)

Medicaid State Plan Eligibility

Eligibility Groups - Medically Needy

Medically Needy Children under Age 18

MEDICAID | Medicaid Plan | Eligibility | CA2025MS0001O | CA-25-0037

Children under age 18 who would qualify under the state's categorically needy eligibility groups, except for income.

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
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	System-Derived		

Reviewable Unit Instructions

The state covers the Medically Needy Children under Age 18 eligibility group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

1. Are under age 18.
2. Would qualify as categorically needy, except for income.
3. Are not otherwise eligible for categorically needy coverage under the state plan.
4. Have income at or below the medically needy income level and resources at or below the medically needy resource level.

Medically Needy Children under Age 18

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
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	System-Derived		

Reviewable Unit Instructions

B. Financial Methodologies

1. The financial methodology used is:
 - ☒ a. AFDC methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
 - ☐ b. MAGI-like methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
2. Less restrictive methodologies are used in calculating countable income.
 - ☒ Yes
 - ☐ No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III) , and 1905(p).
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

- ☒ The following less restrictive methodologies are used:

Name of methodology:	Description:
Deductions for ineligible family members	Disregard and amount equal to the appropriate figure below, based on household size. This disregard description clarifies the existing policy listed on pages 6, 6a, and 7 of Supplement 8a to Attachment 2.6-A of the state plan. Household of 1: \$600 Household of 2: \$750 Household of 2 adults*: \$934 Household of 3: \$934 Household of 4: \$1,100 Household of 5: \$1,259 Household of 6: \$1,417 Household of 7: \$1,550 Household of 8: \$1,692 Household of 9: \$1,825 Household of 10: \$1,959 *A household of two adults where at least one person is aged, blind, or disabled utilizes the deduction for a household size of 3, as permitted by 42 CFR § 435.1007(c).

3. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

- ☒ All resources are disregarded. No resource test is applied.
- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or

Name of methodology:	Description:
	(2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.

☒ A motor vehicle is disregarded under specific conditions.

☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources

Name of resource type:	Description: sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan. The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate resource	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the

Name of resource type:	Description:
	property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.
Independence Accounts	Independence Accounts established under the Work Incentives program shall be disregarded in the resource eligibility determination, subject to the limitation identified below: • Actions involving the accounts are subject to standard eligibility rules relating to resources (e.g., a transfer from the account for less than fair market value would be subject to transfer-of-asset rules).
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country: (1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and

Name of resource type:	Description:
	2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy or health care service plan contract	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category. The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VIII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Resources exempted under 1902(a)(10)(A)(ii)(XIII)	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 14: All resources exempted from consideration as resources for individuals in the optional coverage group under section 1902(a)(10)(A)(ii)(XIII) of the Act on the basis that they are employer or individual retirement arrangements authorized under the Internal Revenue Code shall continue to be exempt from consideration as resources in all other coverage groups subject to the provisions of 1902(r)(2) under which the individual later becomes eligible for medical assistance where the basis for that eligibility is the individual's age, blindness, or disability. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii)(I) • 1902(a)(10)(A)(ii)(X) • 1902(a)(10)(C)(i)

Medically Needy Children under Age 18

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

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	System-Derived		

Reviewable Unit Instructions

C. Income Standard Used

The income standard used for this group is described in the Medically Needy Income Level RU.

D. Resource Standard Used

The resource standard used for this group is described in the Medically Needy Resource Level RU.

E. Spenddown

The state allows individuals to deduct incurred medical and remedial expenses (spend down) to become eligible under this group. Spenddown is defined in the Handling of Excess Income (Spenddown) RU.

Medically Needy Children under Age 18

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

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Reviewable Unit Instructions

F. Additional Information (optional)

Medically Needy Children under Age 18

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Reviewable Unit Instructions

Medicaid State Plan Eligibility

Eligibility Groups - Medically Needy

Medically Needy Reasonable Classifications of Individuals under Age 21

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

One or more reasonable classifications of individuals under age 21 who do not qualify as categorically needy.

Package Header

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Reviewable Unit Instructions

The state covers the optional Medically Needy Reasonable Classifications of Individuals under Age 21 eligibility group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

1. Are under age 21, or a lower age, as specified in section C.
2. Would not qualify under the Medically Needy Children under Age 18 eligibility group (42 CFR 435.301)
3. Are not otherwise eligible for categorically needy coverage under the state plan.
4. Have income at or below the medically needy income level and resources at or below the medically needy resource level.

Medically Needy Reasonable Classifications of Individuals under Age 21

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

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Reviewable Unit Instructions

B. Individuals Covered

The state covers the following populations:

- ☒ 1. All children under a specified age limit:

☒ i. Under age 21

☐ ii. Under age 20

☐ iii. Under age 19
- ☐ 2. Reasonable classifications of children

Medically Needy Reasonable Classifications of Individuals under Age 21

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

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	System-Derived		

Reviewable Unit Instructions

C. Financial Methodologies

1. The state uses the same financial methodology for all individuals covered.

- ☒ Yes
- ☐ No

2. The financial methodology used is:

- ☒ a. AFDC methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
- ☐ b. MAGI-like methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.

3. Less restrictive methodologies are used in calculating countable income.

- ☒ Yes
- ☐ No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III) , and 1905(p).
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

- ☒ The following less restrictive methodologies are used:

Name of methodology:	Description:
Deductions for ineligible family members	Disregard and amount equal to the appropriate figure below, based on household size. This disregard description clarifies the existing policy listed on pages 6, 6a, and 7 of Supplement 8a to Attachment 2.6-A of the state plan. Household of 1: \$600 Household of 2: \$750 Household of 2 adults*: \$934 Household of 3: \$934 Household of 4: \$1,100 Household of 5: \$1,259 Household of 6: \$1,417 Household of 7: \$1,550 Household of 8: \$1,692 Household of 9: \$1,825 Household of 10: \$1,959 *A household of two adults where at least one person is aged, blind, or disabled utilizes the deduction for a household size of 3, as permitted by 42 CFR § 435.1007(c).

4. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

- ☒ All resources are disregarded. No resource test is applied.
- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not

Name of methodology:	Description:
	removed from the burial fund or policy described in (1) or (2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.

☒ A motor vehicle is disregarded under specific conditions.

☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another

Name of resource type:	Description:
SSI and AFDC differing methodologies	form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p) As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan. The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate resource	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a

Name of resource type:	Description:
	statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.
Independence Accounts	Independence Accounts established under the Work Incentives program shall be disregarded in the resource eligibility determination, subject to the limitation identified below: • Actions involving the accounts are subject to standard eligibility rules relating to resources (e.g., a transfer from the account for less than fair market value would be subject to transfer-of-asset rules).
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country: (1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to

Name of resource type:	Description:
	his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy or health care service plan contract	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category. The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VIII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Resources exempted under 1902(a)(10)(A)(ii)(XIII)	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 14: All resources exempted from consideration as resources for individuals in the optional coverage group under section 1902(a)(10)(A)(ii)(XIII) of the Act on the basis that they are employer or individual retirement arrangements authorized under the Internal Revenue Code shall continue to be exempt from consideration as resources in all other coverage groups subject to the provisions of 1902(r)(2) under which the individual later becomes eligible for medical assistance where the basis for that eligibility is the individual's age, blindness, or disability. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii)(I) • 1902(a)(10)(A)(ii)(X) • 1902(a)(10)(C)(i)

Medically Needy Reasonable Classifications of Individuals under Age 21

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

Package ID	CA2025MS0001O	SPA ID	CA-25-0037
Submission Type	Official	Initial Submission Date	9/29/2025
Approval Date	N/A	Effective Date	1/1/2026
Superseded SPA ID	CA-23-0012		
	System-Derived		

Reviewable Unit Instructions

D. Income Standard Used

The income standard used for this group is described in the Medically Needy Income Level RU.

E. Resource Standard Used

The resource standard used for this group is described in the Medically Needy Resource Level RU.

F. Spenddown

The state allows individuals to deduct incurred medical and remedial expenses (spend down) to become eligible under this group. Spenddown is defined in the Handling of Excess Income (Spenddown) RU.

Medically Needy Reasonable Classifications of Individuals under Age 21

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Reviewable Unit Instructions

G. Additional Information (optional)

Medicaid State Plan Eligibility

Eligibility Groups - Medically Needy

Medically Needy Parents and Other Caretaker Relatives

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Parents and other caretaker relatives of dependent children who do not qualify as categorically needy.

Package Header

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Reviewable Unit Instructions

The state covers the optional Medically Needy Parents and Other Caretaker Relatives eligibility group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

1. Meet the definition of parent or caretaker relative, as described in the mandatory Parents and Other Caretaker Relatives eligibility group.
2. Are not otherwise eligible for categorically needy coverage under the state plan.
3. Have income at or below the medically needy income level and resources at or below the medically needy resource level.

Medically Needy Parents and Other Caretaker Relatives

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Reviewable Unit Instructions

B. Financial Methodologies

1. The financial methodology used is:

- ☒ a. AFDC methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.
- ☐ b. MAGI-like methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.

2. Less restrictive methodologies are used in calculating countable income.

- ☒ Yes
- ☐ No

The less restrictive income methodologies are:

- ☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

- ☒ A specified type of income is disregarded:

Name of income type:	Description:
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III) , and 1905(p).
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs.

- ☒ The following less restrictive methodologies are used:

Name of methodology:	Description:
Deductions for ineligible family members	Disregard and amount equal to the appropriate figure below, based on household size. This disregard description clarifies the existing policy listed on pages 6, 6a, and 7 of Supplement 8a to Attachment 2.6-A of the state plan. Household of 1: \$600 Household of 2: \$750 Household of 2 adults*: \$934 Household of 3: \$934 Household of 4: \$1,100 Household of 5: \$1,259 Household of 6: \$1,417 Household of 7: \$1,550 Household of 8: \$1,692 Household of 9: \$1,825 Household of 10: \$1,959 *A household of two adults where at least one person is aged, blind, or disabled utilizes the deduction for a household size of 3, as permitted by 42 CFR § 435.1007(c).

3. Less restrictive methodologies are used in calculating countable resources.

- ☒ Yes
- ☐ No

The less restrictive resource methodologies are:

- ☒ All resources are disregarded. No resource test is applied.
- ☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

- ☒ The state uses a less restrictive methodology with respect to resources set aside for burial.
- ☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements. (c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or

Name of methodology:	Description:
	(2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.

☒ A motor vehicle is disregarded under specific conditions.

☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources

Name of resource type:	Description:
SSI and AFDC differing methodologies	sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p) As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan. The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate resource	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10: The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the

Name of resource type:	Description:
	property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.
Independence Accounts	Independence Accounts established under the Work Incentives program shall be disregarded in the resource eligibility determination, subject to the limitation identified below: • Actions involving the accounts are subject to standard eligibility rules relating to resources (e.g., a transfer from the account for less than fair market value would be subject to transfer-of-asset rules).
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country: (1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
In-home caregiver resource disregard	Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and

Name of resource type:	Description:
	2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy or health care service plan contract	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category. The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VIII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10) (A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Resources exempted under 1902(a)(10)(A)(ii)(XIII)	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 14: All resources exempted from consideration as resources for individuals in the optional coverage group under section 1902(a)(10)(A)(ii)(XIII) of the Act on the basis that they are employer or individual retirement arrangements authorized under the Internal Revenue Code shall continue to be exempt from consideration as resources in all other coverage groups subject to the provisions of 1902(r)(2) under which the individual later becomes eligible for medical assistance where the basis for that eligibility is the individual's age, blindness, or disability. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii)(I) • 1902(a)(10)(A)(ii)(X) • 1902(a)(10)(C)(i)

Medically Needy Parents and Other Caretaker Relatives

MEDICAID | Medicaid State Plan | Eligibility | CA2025MS0001O | CA-25-0037

Package Header

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	System-Derived		

Reviewable Unit Instructions

C. Income Standard Used

The income standard used for this group is described in the Medically Needy Income Level RU.

D. Resource Standard Used

The resource standard used for this group is described in the Medically Needy Resource Level RU.

E. Spenddown

The state allows individuals to deduct incurred medical and remedial expenses (spend down) to become eligible under this group. Spenddown is defined in the Handling of Excess Income (Spenddown) RU.

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F. Additional Information (optional)

Medicaid State Plan Eligibility

Eligibility Groups - Medically Needy

Medically Needy Populations Based on Age, Blindness or Disability

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Individuals who are age 65 or older or who have blindness or a disability who do not qualify as categorically needy.

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The state covers the optional Medically Needy Populations Based on Age, Blindness or Disability eligibility group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:

- 1.Meet at least one of the following:

a. Are age 65 or older;

b. Have blindness; or

c. Have a disability.
2. Are not otherwise eligible for categorically needy coverage under the state plan.
3. Have income at or below the medically needy income level and resources at or below the medically needy resource level.

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B. Individuals Covered

The state covers the following populations:

- ☒ 1. Individuals age 65 or older
- ☒ 2. Individuals with blindness
- ☒ 3. Individuals who have a disability

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C. Financial Methodologies

1. The state uses the same financial methodology for all individuals covered.

- ☒ Yes
- ☐ No

2. The financial methodology used is:

a. SSI methodologies. Please refer as necessary to Non-MAGI Methodologies, completed by the state.

b. Less restrictive methodologies are used in calculating countable income.

- ☒ Yes
- ☐ No

The less restrictive income methodologies are:

☒ Census Bureau wages are disregarded.

Description of disregard:

As permitted under Section 1902(r)(2), all wages paid to an individual by the Census Bureau for temporary employment related to current or future census activities shall be exempt.

☒ A specified type of income is disregarded:

Name of income type:	Description:
In-home caregiver wages	As referenced in Supplement 8a of Attachment 2.6-A page 8: In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Kinship Guardianship Benefit Payments	As referenced in Supplement 8a of Attachment 2.6-A page 9: As permitted under Section 1902(r)(2), in determining eligibility for the following coverage groups, State funded benefit payments under the State's Kinship Guardianship Assistance Payment Program (also known as Kinship Guardianship Assistance Payment Program -Enhanced) shall be exempt. These coverage groups are: 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III) , and 1905(p).
Universal Guaranteed Income	Disregard the amount of income individuals receive from the California Guaranteed Income Pilot programs
Income used to pay spousal or child support	Reference to Supplement 3 of Attachment 2.6. - A: The agency uses the same income disregards as used in SSI except as follows: Income which must, by court order or by agreement with a district

Name of income type:	Description:
	attorney (DA), be used to pay spousal or child support is held to be unavailable to set the current needs of ABD-MN applicants and beneficiaries. In these cases the lower of 1) the amount ordered by the court or the DA agreement, or 2) the amount actually paid is deducted from the reported income.

☒ The following less restrictive methodologies are used:

Name of methodology:	Description:
Deductions for ineligible family members	Disregard and amount equal to the appropriate figure below, based on household size. This disregard description clarifies the existing policy listed on pages 6, 6a, and 7 of Supplement 8a to Attachment 2.6-A of the state plan. Household of 1: \$600 Household of 2: \$750 Household of 2 adults*: \$934 Household of 3: \$934 Household of 4: \$1,100 Household of 5: \$1,259 Household of 6: \$1,417 Household of 7: \$1,550 Household of 8: \$1,692 Household of 9: \$1,825 Household of 10: \$1,959 *A household of two adults where at least one person is aged, blind, or disabled utilizes the deduction for a household size of 3, as permitted by 42 CFR § 435.1007(c).

c. Less restrictive methodologies are used in calculating countable resources.

☒ Yes ☐ No

The less restrictive resource methodologies are:

☒ All resources are disregarded. No resource test is applied.

☒ General resource disregard:

Name of disregard:	Description:
Assembly Bill 116 (2025) Resource Disregard	A resource disregard equal to the difference between the applicable resource standard for this coverage group and \$130,000 for a single individual and an additional \$65,000 per household member, up to a maximum of 10 household members.

☒ The state uses a less restrictive methodology with respect to resources set aside for burial.

☒ Specified methodology for the treatment of resources set aside for burial:

Name of methodology:	Description:
Burial Funds	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a, Page 2: All of the following shall be disregarded in determining eligibility in their entirety and shall not be applied against a single \$1500 limit: (1) All of the following burial related funds: (a) The first \$1500 paid for clearly designated burial funds such as burial insurance policies with cash surrender values, revocable burial trusts, revocable burial contracts, or other revocable burial arrangements. (b) Irrevocable burial trusts or irrevocable burial contracts, or other irrevocable burial arrangements.

Name of methodology:	Description:
	(c) Burial insurance policies without cash surrender values. (2) Life insurance policies on the life of any individual in the family shall be exempt if the combined face value of all of the policies on the insured individual is \$1500 or less. (3) All dividends and interest that accrue to and are not removed from the burial fund or policy described in (1) or (2). The disregard of life insurance policies and burial related funds is allowed for all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): (a)(10)(A)(ii), (a)(10)(C)(i)(III), and 1905(p)

☒ The state uses a less restrictive methodology with respect to the treatment of motor vehicles.

☒ A motor vehicle is disregarded under specific conditions.

☒ Specified conditions:

Description:

As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-a Page 11:

One motor vehicle per budget unit shall be exempt regardless of value or use. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

• (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)

☒ A specified type of resource is disregarded:

Name of resource type:	Description:
Unpaid incurred medical bills	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 5: Pursuant to court order in Principe v. Belshe (Sacramento County Superior Court Case No. 96CSOO115), a resource disregard would be allowed equal to the amount of incurred medical bills that are unpaid in the month where there are excess resources for the entire month, • only when payment of those medical bills occurs in a later month, and • verification of payment is provided. This disregard would be allowed no earlier than the month of application (may not be one of the three months prior to the month of application). The requirements listed above would have to be met before eligibility is granted for the month throughout which the excess resources existed. This disregard would apply only to individuals who have excess resources for the entire month but who are otherwise eligible in that month under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Japanese Reparation Payments	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 6: Japanese Reparation payments made by the Canadian government

Name of resource type:	Description: shall be exempt from consideration in determining eligibility for Medi-Cal. Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both. Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii)(I) • (a)(10)(A)(ii)(VI) • (a)(10)(A)(ii)(X) • (a)(10)(A)(ii)(XIII) • (a)(10)(A)(ii)(XVIII) • (a)(10)(C)(i)(III) • 1905(p)
SSI and AFDC differing methodologies	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 8: In considering all of the various items of resources where the SSI program and the AFDC program have differing methodologies, the State shall follow the methodology of the least restrictive of either the SSI program or the AFDC program. • The general rules contained in the paragraph above shall apply to determine the resource methodologies employed in consideration of all resource items unless a more specific methodology for a specific resource item is otherwise set forth and included in the State plan. The above paragraphs apply to the resources of all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Principal residence disregard	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 9: The principal residence shall not be considered as a resource if any of the following circumstances exist (this is in addition to the reasons specified by the SSI program and the AFDC program): • if a child under the age of 21 lives on the property, or • if a dependent relative lives on the property, (for this purpose only, a disabled child age 21 or over shall be considered a dependent relative), • if a sibling or child age 21 or over of the applicant or beneficiary has continuously resided on the property for at least one year immediately prior to the date the applicant or beneficiary entered a skilled nursing facility or intermediate care facility and continues to reside there, or • if the property cannot be readily converted to cash but a bona fide effort is being made to sell the property. A bona fide effort to sell means that the property is listed for sale with a licensed real estate broker for its fair market value established by a qualified real estate appraiser, a good faith effort is being made to sell the property, offers at fair market value are accepted, and the applicant or beneficiary has supplied proof of compliance with these conditions to the county. The above paragraphs apply to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Bona fide, good faith effort to sell or liquidate resource	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 10:

Name of resource type:	Description:
	The value of resources shall be disregarded when there is a bona fide, good faith effort being made to sell or liquidate the resource. The value of the resource shall be disregarded for as long as the bona fide good faith effort to sell or liquidate continues to be made. This methodology is essentially the same as the methodology applied to resources being sold or liquidated in the eligibility determinations of the SSI and AFDC program, however, since there is no conditional eligibility in the Medicaid program, the applicant/beneficiary shall not be required to sign, as a condition of eligibility, a statement agreeing to make repayment upon the sale of the property. The above paragraph applies to all applicants and recipients who are otherwise eligible under California's State Plan and who are also a member of one of the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p)
Universal Guaranteed Income	Disregard as resources income individuals receive from the California Guaranteed Income Pilot programs for 12 months following the month of receipt.
Independence Accounts	Independence Accounts established under the Work Incentives program shall be disregarded in the resource eligibility determination, subject to the limitation identified below: • Actions involving the accounts are subject to standard eligibility rules relating to resources (e.g., a transfer from the account for less than fair market value would be subject to transfer-of-asset rules).
Restitution payments made to Holocaust victims	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 12 and 13: Excludable restitution payments made to a holocaust victim or his or her heirs or beneficiaries shall be considered an exempt resource for the purpose of determining eligibility to receive Medi-Cal benefits or the amounts of those benefits. A "holocaust victim" is a person who was persecuted by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country: (1) on the basis of race, religion, physical or mental disability, or sexual orientation; (2) during any period before, during or after. An "excludable restitution payment" is any payment or distribution, recovered or returned asset or property, received directly by a holocaust victim or heirs or beneficiaries of a holocaust victim: (1) as compensation pursuant to the German Act Regulating Unresolved Property Claims, as amended (Gesetz zur Regelung offener Vermögensfragen); (2) as a result of a settlement of claims against any entity or individual for any recovered asset. A "recovered asset" is any asset of any type, including any bank deposits, insurance proceeds, artwork, or interest earned on any of these assets, owned by a holocaust victim, withheld from that holocaust victim or his or her heirs or beneficiaries and recovered, returned or otherwise compensated to the holocaust victim or his or her heirs or beneficiaries; (3) as a payment or restitution provided by law, or by a fund, established by any foreign country, the United States of America, or any other foreign or domestic entity, or as a result of a final resolution of a legal action; (4) as a direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during or immediately after World War II, including any insurance proceeds under policies issued on the individual by European insurance companies immediately before and during World War II; or (5) as interest, payable as part of any payment or distribution described in the paragraph. These exemptions shall apply to the following coverage groups

Name of resource type:	Description:
In-home caregiver resource disregard	referenced in the Social Security Act at Section 1902(r)(2): • (a)(10)(A)(ii) • (a)(10)(C)(i)(III) • 1905(p) Supplement 8b to Attachment 2.6A, Page 13 In-home caregiver wages paid to a household member shall be exempt when both of the following conditions are met: 1) The caregiver is being paid for providing the in-home care to his/her spouse or minor child living in the home, and 2) The spouse or minor child is receiving those in-home services through any federal, state or local government program. Payments made by the California Department of Social Services to an in-home care recipient for the purpose of purchasing in-home care services, including restaurant meals, shall be exempt. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2): • 1902(a)(10)(A)(ii) • 1902(a)(10)(C)(i)(III) • 1905(p)
Precertified long-term care insurance policy or health care service plan contract	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 1: A resource disregard is given to an individual who has purchased a precertified long-term care insurance policy or health care service plan contract which covers long-term care and has used such policy or plan to pay for services. Services which the individual receives and are paid for by the precertified long-term care insurance policy or health care service plan contract, which covers long-term care, must not be delivered by a member of the individual's family, unless: • The family member is a regular employee of an organization which is providing the services; and • The organization receives the payment for the services; and • The family member receives no compensation other than the normal compensation for employees in his or her job category. The amount of the disregard is equal to the lesser of the following amounts: • the amount of payments made for services by the insurance policy; or • the actual charge for the services. Such disregard is in effect for the lifetime of the individual. The disregard is also allowed if a Medicaid application is filed on behalf of a deceased individual for payment of costs for care and services received by the individual during his or her lifetime. The disregard of resources is allowed for aged, blind and disabled individuals who are otherwise eligible and: A. Medically Needy [1902(a)(10)(C)(i)(III)], or B. Optional Categorically Needy [1902(a)(10)(A)(ii)], except those who are included in Section 1902 (a)(10)(A)(ii)(VIII), 1902(a)(10)(A)(ii)(XI) and 1902(a)(10)(A)(ii)(IV) who are receiving Supplemental Security Income Payments under Title XVI or a State Supplemental Payment, or C. Who are Qualified Medicare Beneficiaries [1905(p)].
Resources exempted under 1902(a)(10)(A)(ii)(XIII)	As referenced in SUPPLEMENT 8b TO ATTACHMENT 2.6-A Page 14: All resources exempted from consideration as resources for individuals in the optional coverage group under section 1902(a)(10)(A)(ii)(XIII) of the Act on the basis that they are employer or individual retirement arrangements authorized under the Internal Revenue Code shall continue to be exempt from consideration as resources in all other coverage groups subject to the provisions of 1902(r)(2) under which the individual later becomes eligible for medical assistance where the basis for that eligibility is the individual's age, blindness, or disability. These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

Name of resource type:	Description:
	• 1902(a)(10)(A)(ii)(I) • 1902(a)(10)(A)(ii)(X) • 1902(a)(10)(C)(i)

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D. Income Standard Used

The income standard used for this group is described in the Medically Needy Income Level RU.

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E. Resource Standard Used

The resource standard used for this group is described in the Medically Needy Resource Level RU.

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F. Spenddown

The state allows individuals to deduct incurred medical and remedial expenses (spend down) to become eligible under this group. Spenddown is defined in the Handling of Excess Income (Spenddown) RU.

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G. Additional Information (optional)

PRA Disclosure Statement: Centers for Medicare & Medicaid Services (CMS) collects this mandatory information in accordance with (42 U.S.C. 1396a) and (42 CFR 430.12); which sets forth the authority for the submittal and collection of state plans and plan amendment information in a format defined by CMS for the purpose of improving the state application and federal review processes, improve federal program management of Medicaid programs and Children's Health Insurance Program, and to standardize Medicaid program data which covers basic requirements, and individualized content that reflects the characteristics of the particular state's program. The information will be used to monitor and analyze performance metrics related to the Medicaid and Children's Health Insurance Program in efforts to boost program integrity efforts, improve performance and accountability across the programs. Under the Privacy Act of 1974 any personally identifying information obtained will be kept private to the extent of the law. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1188. The time required to complete this information collection is estimated to range from 1 hour to 80 hours per response (see below), including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

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