

DATE: January 27, 2026

Medi-Cal Eligibility Division Information

Letter No.: 26-03

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS

SUBJECT: OBSOLESCENCE OF GUIDANCE RELATED TO ASSET ELIMINATION

This letter supersedes the policy guidance in All County Welfare Director Letters (ACWDLs) [23-20](#), [23-21](#), [23-22](#), and [23-22E](#), which provided counties with guidance regarding determining Non-MAGI program eligibility starting January 1, 2024, without considering the treatment or value of the specified asset types.

Due to Assembly Bill 116 (Chapter 21, Statutes of 2025), the asset test will be reinstated for Non-MAGI programs, including LTC and MSPs, with the exception of the Pickle, DAC, and DW programs, effective January 1, 2026. As of January 1, 2026, ACWDL 23-20, 23-21, 23-22, and 23-22E are obsolete.

Counties shall utilize the policy guidance and regulations below when determining Non-MAGI eligibility starting January 1, 2026:

- **Annuities:** Title 22, California Code of Regulations (CCR) § [50507\(a\)\(2\)](#), [50489.5\(g\)](#), Medi-Cal Eligibility Procedures Manual (MEPM) [Article 9J](#).
- **IRAs, Retirement Plans for Self-Employed Individuals, Work-Related Pension Plans:** ACWDL [02-51](#), ACWDL [90-01 Sections 50402 & 50458](#).
- **Rental Property:** 22 CCR § [50503\(a\)\(8\)](#), [50507\(a\)\(18\)](#), and [50508](#).
- **Interest and Dividends:** 22 CCR § [50507\(a\)\(19\)-\(20\)](#), ACWDL [92-25](#), ACWDL [94-73](#), ACWDL [96-48](#), ACWDL [99-31](#), ACWDL [05-17](#); ACWDL [09-54](#), ACWDL [12-07](#)
- **Trusts:** 22 CCR § [50489](#), [50489.5](#), and [50489.9](#), Medi-Cal Eligibility Procedures Manual [Article 9J](#) and [Article 10](#)

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If you have any questions or need further information, please contact the Asset Limit Change inbox by email at AssetLimitChanges@dhcs.ca.gov. County questions regarding this policy guidance should be sent to MCED-Policy@dhcs.ca.gov.

Sincerely,

Sarah Crow, Chief
Medi-Cal Eligibility Division