



Asset Limit Changes for Non-MAGI Medi-Cal

Eligibility and Enrollment Plan

[DATE]

*Assembly Bill 133 (Chapter 143, Statutes of 2021)
Welfare and Institutions Code 14005.62*

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Introduction

Assembly Bill (AB) 133 (Chapter 143, Statutes of 2021) creates a two-phased approach to eliminating the asset test for all Non-Modified Adjusted Gross Income (MAGI) Medi-Cal programs, including Medicare Savings Programs (MSP) and Long-Term Care (LTC). Phase I, to be implemented July 1, 2022, will increase the asset limit to \$130,000 per individual, and \$65,000 for each additional household member. Phase II, to be implemented no sooner than January 1, 2024, will eliminate the asset test entirely. The Department of Health Care Services (DHCS) is working collaboratively with counties, the Statewide Automated Welfare System (SAWS), consumer advocates, the Legislature, and others to implement the asset test changes.

The purpose of this Eligibility and Enrollment Plan is to describe the process for updating the asset limits for Non-MAGI Medi-Cal programs. Individuals/couples who may be affected include applicants who are over the current asset limit of \$2,000 per individual and \$3,000 per couple, as well as individuals who are already enrolled in a Non-MAGI program subject to the asset test. These individuals, though already receiving Medi-Cal benefits, will be able to have more assets and remain eligible after implementation. This plan provides an overview of the asset limit changes during the implementation process.

Impacted Population

Individuals/couples who may be affected include applicants who are over the current asset limit of \$2,000 per individual or \$3,000 per couple. Existing beneficiaries who are under the current asset limits will not have their eligibility affected; however, they will be able to accumulate and retain an increased amount of property after the changes take effect. These changes apply to all Non-MAGI programs subject to an asset test.

System Readiness

DHCS' goal is to implement the Phase I changes within SAWS effective July 1, 2022. Phase II changes are scheduled to be completed by January 1, 2024. The following timelines are in place to assure a timely implementation process:

Phase I:

- CalSAWS readiness confirmed for July 1, 2022
- CalWIN readiness confirmed for July 1, 2022

Phase II:

- CalSAWS readiness confirmed for [DATE]
- CalWIN readiness confirmed for [DATE]

DHCS is working collaboratively with SAWS on an ongoing basis to provide assistance and technical support in preparing the systems for program implementation.

Data Collection

TBD

Systems Updates

SAWS is required to automate programming within its systems and have system functionality in place for implementation. The Phase I implementation date of July 1, 2022 will apply to all new applicants and existing beneficiaries. The Phase II implementation date of January 1, 2024 will apply to all new applicants and existing beneficiaries. Once system functionality is in place, SAWS will complete the following:

Phase I: Update property limits for all existing beneficiaries and new applicants to \$130,000 for an individual and \$65,000 for each additional household member.

Phase II: Eliminate the asset limits entirely.

Collaboration with Counties

Counties will regularly receive technical assistance materials and training from DHCS until January 2024, explaining the changes to the asset limits and providing guidance on specific processes.

Revised budget forms, reference materials, notices, etc. will be delivered to counties, along with instructions for use, prior to each implementation date. DHCS will provide policy letters to counties explaining the asset limit changes, planned outreach efforts, and any additional information. DHCS will work diligently to provide counties with the resources necessary for successful implementation of each phase.

Outreach Notices

DHCS will distribute outreach notices in all Medi-Cal threshold languages. English notices will be sent on the same schedule as all other languages. Beneficiaries who may benefit from the new asset limits will receive these notices in the mail from DHCS.

Phase I Outreach: Applicants/Beneficiaries who are denied due to exceeding the property limit in the six months prior to implementation will receive a letter informing them of the changes and encouraging them to reapply.

Phase II Outreach: Applicants/Beneficiaries who are denied or discontinued due to exceeding the property limit in the three months prior to implementation will receive a letter informing them of the changes and encouraging them to reapply.

Materials Updates

DHCS will oversee updates to all necessary forms, notices, letters, regulations, and materials which refer to current policy regarding asset limits for Non-MAGI Medi-Cal programs. This will be an ongoing effort. Stakeholders will be invited to participate and provide feedback as revisions are completed.

Stakeholder Engagement

Stakeholders will be updated on the progress of the project on an ongoing basis. DHCS is using existing stakeholder engagement forums to discuss and provide updates on the implementation of asset limit changes, including (but not limited to):

- The Consumer-Focused Stakeholder Workgroup (CFSW)
- The Asset Limit Changes for Non-MAGI Medi-Cal Advocate Touchpoint
- County Welfare Directors Association of California (CWDA) meetings

Ongoing DHCS stakeholder discussion topics include:

- Implementation Plan
- Milestones and timeline
- Frequently Asked Questions (FAQs)
- Notices for potentially affected beneficiaries
- Outreach efforts to reach potentially affected beneficiaries
- DHCS guidance on implementation

Stakeholders will be invited to provide feedback on beneficiary outreach materials developed by DHCS, as well as materials provided to counties and sister agencies, including outreach materials and ACWDLs.

Milestones

The key milestones have been determined for each phase using the intended implementation dates. DHCS will provide updates through established stakeholder meetings and will share revisions to the milestones and implementation efforts as applicable. **(Please note: all dates below are subject to change.)**

Phase I

- November 30, 2021 – Confirmation of Federal approval
- November 30, 2021 – Phase I ACWDL publication
- July 1, 2022 – Phase I implementation
- August 1, 2022 – Phase I Outreach delivered

Phase II

- November 30, 2023 – Confirmation of Federal approval

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- November 30, 2023 – Phase I ACWDL publication
- January 1, 2024 – Phase I implementation
- February 1, 2024 – Phase I Outreach delivered

Related Efforts

Changes to additional processes and programs, such as estate recovery, will be addressed during the implementation process.