

DATE: August 1, 2023

TO: ALL COUNTY WELFARE DIRECTORS Letter No.:23-16  
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS  
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS  
ALL COUNTY HEALTH EXECUTIVES  
ALL COUNTY MENTAL HEALTH DIRECTORS  
ALL COUNTY MEDS LIAISONS

SUBJECT: SPOUSAL IMPOVERISHMENT UNDER ELIMINATION OF ASSET  
LIMITS BEGINNING JANUARY 1, 2024

RE: ACWDLs [90-01](#), [90-03](#), [90-89](#), [91-28](#), [91-84](#), [17-25](#), [18-19](#), [22-25](#), MEDILs  
[21-07](#), [22-35](#)

The purpose of this All County Welfare Directors Letter (ACWDL) is to provide counties with instructions regarding how to apply spousal impoverishment (SI) provisions beginning on January 1, 2024, when the asset limit will be eliminated and all property will be exempt. The changes described in this letter apply to both the long-term care (LTC) and home and community-based services (HCBS) Medi-Cal populations.

### What this means:

As of January 1, 2024, county eligibility workers (CEWs) will no longer determine the Community Spouse Resource Allowance (CSRA) when the initial month of eligibility is on or after January 1, 2024.

The initial month refers to:

- The first month for which an institutionalized spouse has applied for Medi-Cal coverage for LTC services or has been admitted to a LTC facility and is expected to remain for 30 consecutive days, whether or not they actually remain that long (see ACWDL [91-84](#), sections 50033.5 and 50377). This could be a retroactive month, the month of application, or the month of admission into an LTC facility.
- The first month in which an HCBS spouse has both:
  - requested in-home care or HCBS Waiver and Program services (see the Screening Tool in MEDIL I [22-35](#) for a description of requests), and
  - met the nursing facility level of care criteria through a needs assessment or the [MC 604 MDV](#).

Applications by institutionalized spouses, or requests for in-home care or HCBS waiver and program services, submitted prior to January 1, 2024, and any requests for retroactive coverage for months prior to January 1, 2024, will still be subject to all of the property eligibility determinations and verification requirements for the initial month when the CSRA is being determined. In addition, beneficiaries who are institutionalized spouses and HCBS spouses will still be subject to property limits for any months of eligibility prior to January 1, 2024, with the exception of months covered by the asset waiver in accordance with MEDIL I [23-19](#). Fair hearings regarding eligibility for months prior to January 1, 2024, may still be requested and heard on or after January 1, 2024, according to ACWDL [90-01](#), Section 50491.

### **Which spousal impoverishment provisions will no longer apply beginning January 1, 2024?**

The following is a list of the primary ACWDLs relating to SI property and other issues. Counties were instructed to follow the SI property provisions for HCBS spouses in ACWDLs [17-25](#) and [18-19](#).

The sections of the SI property ACWDLs listed below, as they relate to property will no longer apply, beginning January 1, 2024:

#### **ACWDL [90-01](#) –**

- 50031.5** Community Spouse Resource Allowance (CSRA)
- 50142** Screening
- 50142.5** Assessment of Resources for Institutionalized and Community Spouses
- 50154** County Department Responsibilities for Informing All Medi-Cal Applicants or Potential Applicants at Screening
- 50157** Face-to-Face Interview
- 50377** Medi-Cal Family Budget Unit (MFBU) Determination, Family Member in a Long-Term Care Facility or in Board and Care (last revised in ACWDL [91-84](#))
- 50402** Availability of Property
- 50403** Treatment of Property
- 50416** Utilization Requirements
- 50417** Utilization – Good Cause
- 50455.5** Cash Payments for Medical and Social Services
- 50458** Pension Funds
- 50483** Loans
- 50490** Property Treatment for Institutionalized and Community Spouses
- 50490.1** Exempt Property – Community Spouse Resource Allowance (CSRA) and the Property Reserve of the Institutionalized Spouse

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- 50490.3** Property Considered Available to the Institutionalized Spouse
- 50490.5** Calculation of the Community Spouse Resource Allowance (CSRA)
- 50490.7** Transfer of the Community Spouse Resource Allowance to the Community Spouse

**ACWDL [91-28](#)–**

- 50377** Medi-Cal Family Budget Unit (MFBU) Determination, Family Member in a Long-Term Care Facility or in Board and Care (last revised in ACWDL [91-84](#))
- 50416** Utilization Requirements
- 50417** Utilization – Good Cause
- 50427** Other Real Property
- 50441** Mortgages, Deeds of Trust and Other Promissory Notes,
- 50453** Checking and Savings Accounts
- 50473** Livestock, Poultry or Crops
- 50485** Business Property

**Which spousal impoverishment provisions will continue to apply beginning January 1, 2024?**

**All Sections of ACWDLs [90-01](#) and [91-28](#)** not listed above will remain applicable, **and ACWDL [91-84](#)** will continue to apply in its entirety except that the definition of Community Spouse is changed to:

**50031.5. Community Spouse.** A person who is not an inpatient in a medical or nursing facility, or a participant in a Home and Community-Based Waiver or Program.

**The entirety of ACWDLs [90-03](#) and [90-89](#)** remain applicable.

**The definitions and income provisions for HCBS spouses** differ from those of institutionalized spouses and therefore, counties must continue to follow the instructions in ACWDLs [17-25](#) and [18-19](#) and MEDIL [21-07](#) with regard to definitions and the SI income provisions only for HCBS spouses.

DHCS will release a forthcoming ACWDL consolidating the listed LTC SI definitions and provisions that will remain effective beginning January 1, 2024, into one easy to reference letter.

If you have any questions, or if we can provide further information, please contact Sara McDonald, by phone at (916) 345-8061 or by email at [Sara.McDonald@dhcs.ca.gov](mailto:Sara.McDonald@dhcs.ca.gov).

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Sincerely,

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