

DATE: January 22, 2025

TO: ALL COUNTY WELFARE DIRECTORS Letter No.:25-02

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: 2025 STATEWIDE AVERAGE PRIVATE PAY RATE FOR

NURSING FACILITY SERVICES

References: ACWDLs <u>90-01</u>, <u>21-31</u>, <u>22-25</u> and <u>23-28</u>

Purpose:

This letter announces that the 2025 Statewide Average Private Pay Rate (APPR) for nursing facility services (NFS) is \$13,656. Use this rate when calculating a period of ineligibility for NFS when an institutionalized individual makes a disqualifying transfer of nonexempt property for less than fair market value in accordance with sections 50408.5, 50411.3 and 50411.5 of ACWDL 90-01. Only those transfers made during the look-back period are considered (ACWDL 23-28). Counties shall not calculate any periods of ineligibility for property transfers made on or after January 1, 2024. The 2025 APPR is used in calculating any period of ineligibility for NFS whenever the date of application or the date of institutionalization (the more recent of the two) occurs in 2025 and a disqualifying transfer of property was made during the look-back period in 2023 or earlier. Counties must consider undue hardship in accordance with section 50096.5 of ACWDL 90-01 before imposing a period of NFS ineligibility.

Do not update existing periods of ineligibility for NFS on an annual basis. In addition, counties must not use this figure to recalculate existing periods of ineligibility for NFS where the dates of application and institutionalization occurred prior to January 1, 2025.

Background:

Effective July 1, 2022, the property limits for all Non-MAGI Medi-Cal programs were increased to \$130,000 for one person and \$65,000 for each additional person being evaluated (ACWDL <u>21-31</u>). Effective January 1, 2024, the property limits for Non-MAGI programs have been eliminated and all property is now exempt (ACWDL <u>22-25</u>). Transfers of exempt property, by their nature, are not made to establish eligibility for Medi-Cal, therefore, pursuant to section 50411.5 of ACWDL <u>90-01</u>, no period of ineligibility for NFS can be imposed for transfers of exempt property. ACWDL <u>23-28</u> provides guidance regarding transfer and exemption of all



Letter No.:25-02 Page 2 January 22, 2025

property.

If you have any questions regarding the information provided in this letter please contact the Non-MAGI unit at NonMAGIInbox@dhcs.ca.gov. County questions regarding policy guidance should be sent to MCED-Policy@dhcs.ca.gov.

Sincerely,

Theresa Hasbrouck Branch Chief Policy Development Branch Medi-Cal Eligibility Division