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GAVIN NEWSOM
GOVERNOR

DATE: May 10, 2022

Medi-Cal Eligibility Division Information Letter No.: I 22-17

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

SUBJECT: FOLLOW UP INFORMATION RELATED TO INCREASES TO THE
ASSET LIMITS FOR NON-MODIFIED ADJUSTED GROSS INCOME
MEDI-CAL PROGRAMS – DEEMED SUPPLEMENTAL SECURITY
INCOME POPULATION AND CALAIM WAIVER AMENDMENT
(Reference [ACWDL 21-31](#))

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to provide counties and the Statewide Automated Welfare Systems with additional information regarding changes to the asset limits for Non-MAGI programs with respect to the Deemed Supplemental Security Income (SSI) coverage groups and the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration waiver amendment.

Background

[Assembly Bill 133](#) (Chapter 143, Section 364, Statutes of 2021) directed the Department of Health Care Services (DHCS) to seek federal approval to implement a two-phased approach to increase and eventually eliminate the asset limits for Non-Modified Adjusted Gross Income (MAGI) Medi-Cal coverage groups.

Under Phase I, effective July 1, 2022, DHCS must apply a disregard of \$130,000 in nonexempt property for a single Medi-Cal enrollee and \$65,000 for each additional household member, up to a maximum of ten members. Under Phase II, effective January 1, 2024, DHCS shall eliminate the asset test for Non-MAGI Medi-Cal programs.

To date, DHCS has submitted and CMS has approved [State Plan Amendment \(SPA\) 21-0053](#) to implement the resource disregard under Phase I to increase the asset limits for most Non-MAGI coverage groups; DHCS has not yet submitted to Centers for Medicare and Medicaid Services (CMS) a SPA for Phase II, but intends to do so in the near future. However, because the statutory authority to apply disregards is limited to certain enumerated coverage groups, SPA 21-0053 does not apply to

“Deemed Supplemental Security Income (SSI) groups,” specifically those mandatory Medi-Cal eligibility groups comprised of individuals who would be eligible for Medicaid if they were receiving SSI and/or State Supplementary Payments, but are no longer receiving such payments and are thus “deemed” eligible for Medi-Cal. These groups include the Pickle program, Disabled Adult Children (DAC), and Disabled Widow(er)s (DWW). In order to maintain access to coverage for individuals in the Deemed SSI groups under both phases, DHCS submitted to CMS an application to amend the CalAIM Section 1115 demonstration waiver to permit the state to increase, and eventually eliminate, asset test limits for these groups on April 6, 2022. The application is pending CMS approval at this time this letter went to publication.

Policy

There is no change to the instructions provided in ACWDL 21-31 that effective July 1, 2022, the asset limits for Non-MAGI programs will increase to \$130,000 for one person, and \$65,000 for each additional person (up to a maximum of 10 people) for all Non-MAGI programs, including Pickle, DAC, and DWW.

If you have any questions or if we can provide further information, please contact Sara McDonald at (916) 345-8061 or by e-mail at Sara.McDonald@dhcs.ca.gov.

Original signed by,

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