

DATE: October 9, 2023

Medi-Cal Eligibility Division Information

Letter No.: I 23-51

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
CALIFORNIA DEPARTMENT OF AGING
CALIFORNIA DEPARTMENT OF DEVELOPMENTAL SERVICES
CALIFORNIA DEPARTMENT OF PUBLIC HEALTH
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
ALL HCBS WAIVER ADMINISTRATORS/COORDINATORS

SUBJECT: FURTHER EXTENSION OF THE SPOUSAL IMPOVERISHMENT RULES
FOR MARRIED APPLICANTS AND RECIPIENTS OF HOME AND
COMMUNITY-BASED SERVICES
(REFERENCE: ALL COUNTY WELFARE DIRECTORS LETTERS [17-25](#),
[18-19](#), [20-15](#), [21-03](#), AND [21-18](#); MEDI-CAL ELIGIBILITY DIVISION
INFORMATION LETTERS [21-07](#) AND [22-08](#), [22-35](#)).

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to provide counties with updated information from the Centers for Medicare and Medicaid Services (CMS) to extend the requirement for state Medicaid agencies to apply the spousal impoverishment (SI) rules to married applicants and Medi-Cal members eligible for home and community-based services (HCBS) through September 30, 2027.

Background

In 2015, the Affordable Care Act (ACA) expanded the definition of an “institutionalized spouse” to include individuals eligible for HCBS effective January 1, 2014 through December 31, 2018. This expansion of the SI provisions to the HCBS population under the ACA has since been extended several times legislatively. DHCS provided information on the most recent extension in [ACWDL 21-03](#), which was published on February 17, 2021.

On August 15, 2023, CMS released an [Informational Bulletin](#) to announce that the SI rules for HCBS have been extended through September 30, 2027 under the provisions of the Consolidated Appropriations Act, 2023 (Pub. L. No. 117-328, enacted on December 29, 2022).

Continued Guidance

As a reminder, counties are required to apply the SI provisions at application, reported changes in circumstance, and annual renewal to married individuals who have requested or are enrolled in HCBS pursuant to the policy guidance outlined in ACWDLs [17-25](#), [18-19](#), and [20-15](#). In addition, as a best practice, counties shall utilize the screening tool and Frequently Asked Questions when processing SI cases (MEDILs [22-08](#) and [22-35](#)).

If you have any questions, or if we can provide further information, please contact Jenna Koontz, by phone at (916) 500-7490 or by email at Jenna.Koontz@dhcs.ca.gov.

Original Signed By

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