CALIFORNIA HEALTH ADVOCATES

Low Income Assistance: Medi-Cal for People with Medicare

Medi-Cal is the name for the Medicaid program in California. Medi-Cal provides health coverage to California residents who have proper immigration status and meet certain income and asset eligibility requirements. There are different Medi-Cal programs and categories of people who may qualify for them. This fact sheet focuses on the Medi-Cal programs for people aged 65 years or older or who are eligible for Medicare through disability who meet the low income and asset requirements. You can visit the Health Consumer Alliance website at healthconsumer.org for more info about all the Medi-Cal programs.

Note: Since of May 1, 2022, full scope Medi-Cal benefits is also provided to residents age 50 or older statewide, regardless of immigration status, who meet Medi-Cal's financial eligibility requirements. However, Medicare's eligibility criteria has not changed.

Benefits for People with Both Medicare and Medi-Cal

People who qualify for both Medicare and Medi-Cal are commonly called "dual eligibles" or "Medi-Medis." If you have both Medicare and Medi-Cal but no other insurance, Medicare pays first and Medi-Cal pays second.

Medi-Cal can help pay for "medically necessary" health care, including physician visits, X-rays and laboratory tests, hospital and nursing home care, home health care, certain prescription drugs not covered by Medicare, prosthetic and orthopedic devices, hearing aids, durable medical equipment, ambulance services, and hospice care. Medi-Cal also pays for dental services under its corresponding Denti-Cal program. Medi-Cal pays the Medicare deductibles, coinsurance, and monthly Part B premium for Medicare beneficiaries who qualify for full Medi-Cal (with no share of cost).

If you have both Medicare and Medi-Cal, how you receive your benefits depends on what coverage option you chose for your Medicare. For Medicare benefits, you may choose fee-for-service Original Medicare in all counties, or a Medicare Advantage (MA) plan, if available in your county. A type of MA plan designed for people with both Medicare and Medi-Cal is the Special Needs Plan (SNP) for dual eligibles or D-SNP. In D-SNPs, dual eligibles do not have the copays, coinsurance or premiums associated with other types of MA plans.

Another type of MA plan designed for people with both Medicare and Medi-Cal is a "look-alike" or "mirror" D-SNP. While others on Medicare can join this type of MA plan, the premiums, copayments, and co-insurance are only waived for dual eligibles. D-SNP "look alikes" are being phased out under certain conditions. For more information go to dhcs.ca.gov/provgovpart/Documents/CY23-D-SNP-lookalike-Transition-HPMS.pdf.

For more information on MA plans, see our online Medicare Topics section on Medicare Advantage at cahealthadvocates.org, or our C-001 Fact Sheet.

For Medi-Cal benefits, as of January 1, 2023, you must join a Medi-Cal managed care plan if you do not have a share of cost. This change is due to the Department of Health Care Services' (DHCS) multi-year project, CalAIM (California Advancing and Innovating Medi-Cal).

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Some exceptions include people with Medicare and Medi-Cal who have a share of cost living in the community (versus a Skilled Nursing Facility) as mentioned above, those enrolled in a SCAN health plan, Program of All Inclusive Care for the Elderly (PACE) enrollees, residents of California veteran homes, and Native Americans who chose fee-for-service Medi-Cal.

If you fall into one of these exceptions, you can choose fee-for-service Medicare and Medi-Cal. **Make sure your providers accept Medi-Cal as well as Medicare.** Present both your Medicare card and your Medi-Cal Benefits Identification Card (BIC) to your doctors and other providers when receiving services, so that they can bill Medicare and Medi-Cal directly.

If you enroll in a Medicare Advantage plan, you must see doctors and other providers in the plan's network, except for emergency and urgent care. Make sure any doctors you want to continue seeing are in that plan's network. See DHCS fact sheets, Medicare Medi-Cal Plans: Information for Providers and The Facts on Balance Billing.

Note: If you live in one of the following seven counties (Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo or Santa Clara) and have been in a Cal MediConnect plan, you should have been automatically enrolled into an Exclusively Aligned Enrollment Dual Special Needs Plan (EAE D-SNP) operated by the same parent company as the CalMediConnect plan. These plans are also referred to as Medicare Medi-Cal Plans or Medi-Medi Plans (MMPs). Cal MediConnect plans ended as of December 31, 2022. See "Cal MediConnect" below.

Prescription Drugs

If you are eligible for both Medicare and Medi-Cal, you must be enrolled in a Medicare Part D plan or a Medicare Advantage Prescription Drug (MAPD) plan to get prescription drug coverage. Medi-Cal generally does not pay for prescription drugs for a person who is also on Medicare. It may, however, pay for some drugs not covered at all under Medicare Part D through your respective Medi-Cal managed care plan. If you are exempted from the mandatory enrollment in a Medi-Cal managed care plan and opt for fee-for-service Medi-Cal, you will continue to receive your Medi-Cal-covered drugs through the Medi-Cal Rx program, which started January 1, 2022. Call the Medi-Cal Rx Call Center Line at 1-800-977-2273 or visit medi-calrx.dhcs.ca.gov/ for more information. Medi-Cal also pays for some cough and cold medications, over-the-counter drugs, and vitamins and minerals.

Note: if you were in Cal MediConnect, you will get your prescription drugs through your Medi-Medi plan. See the "Cal MediConnect" section below.

If you have Medicare and full Medi-Cal, you automatically qualify for "Extra Help" or the Low-Income Subsidy (LIS). The Extra Help program pays for part or all of the premium of a Medicare prescription drug plan, depending on the plan you choose. Copayment amounts are between $1.45 and $10.35 per prescription (in 2023) for beneficiaries who qualify for Extra Help. See our online "Extra Help with Part D Costs" section for more information at cahealthadvocates.org, or our E-003 Fact Sheet.

Cal MediConnect

Cal MediConnect was a demonstration program with the goal of integrating care for dual eligibles. The demonstration happened in seven selected counties: Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo and Santa Clara, and ended as of December 31, 2022.

All Cal MediConnect members were automatically enrolled into an Exclusively Aligned Enrollment Dual Special Needs Plan (EAE D-SNP) operated by the same parent company as the CalMediConnect plan in their county, also referred to as a Medicare Medi-Cal Plan (MMP). The transition was effective January 1, 2023. These enrollees transitioned to an MMP should have received notices regarding this transition in fall 2022.

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These transitioned beneficiaries continue to have access to a complete provider network through their Medicare Medi-Cal plan (MMP). The provider network should include the providers they had been seeing in their Cal MediConnect plan. If not, their plan will help them find a new doctor they like. For more information, see the Department of Health Care Services' webpage and fact sheet: Cal MediConnect Transition – Information for Beneficiaries webpage and Joining a Medicare Medi-Cal Plan (Medi-Medi Plan).

How to Qualify

To qualify for all the Medi-Cal programs listed below, except SSI, you can have **up to $130,000 in assets as an individual, or $195,000 in assets as a couple**. For SSI, you can only have up to $2,000 for an individual and $3,000 for a couple.

These higher asset limits ($130,000/individual and $195,000/couple) also apply to the Medicare Savings Programs. See our online Medicare Savings Program section for more information at cahealthadvocates.org, or our E-001 Fact Sheet.

Some of your personal assets that are not counted when determining whether you qualify for Medi-Cal coverage are your primary home, one vehicle, household goods and personal belongings, a life insurance policy with a face value of $1,500 per person, a pre-paid burial plan (unlimited if irrevocable and up to $1,500 if revocable) and a burial plot. If you meet the asset requirement, your income determines for which Medi-Cal program you may qualify.

Medi-Cal Programs

Supplemental Security Income or Title XVI program

If you qualify for Supplemental Security Income (SSI), then you automatically qualify for full Medi-Cal coverage. To qualify for SSI, applicants must be 65-years-old or over, blind or disabled. Your monthly countable income cannot exceed $1,133.73 for an individual or $1,927.62 for a married couple in 2023. (Higher income levels apply for individuals who are blind.) Your assets must not exceed $2,000 for an individual or $3,000 for a couple.

Aged and Disabled Federal Poverty Level Program

California state law also allows individuals with incomes above the SSI limit to qualify for full Medi-Cal coverage in the Aged and Disabled Federal Poverty Level (A&D-FPL) Program. To qualify for the A&D-FPL Program, your countable income cannot exceed $1,697 per month for an individual or $2,289 per month for a couple in 2023.

Note: When determining eligibility for this Medi-Cal program, $20 of one's income is disregarded. Therefore, $20 has been added to the limits above to more closely reflect the eligibility levels.

Medi-Cal with a Share of Cost (SOC)

If your monthly income is higher than the income limits to qualify for SSI or the A&D-FPL Program but you meet the asset requirement, you may still be eligible for Medi-Cal with a share of cost (SOC). The SOC program requires you to pay for or incur health care costs up to your SOC amount before Medi-Cal pays the remainder of your health care costs for that month. In other words, Medi-Cal does not pay for any of your medical expenses until you meet your SOC.

Note: A SOC is not a monthly premium. It is more like a deductible. It is the amount of medical expenses you are responsible to pay for before you can get full Medi-Cal coverage for the remainder of the month. If you have no medical expenses, you pay nothing.

Your SOC is based on your monthly countable income. The higher your countable income, the higher your SOC. To calculate your SOC, start with your gross monthly income, subtract the standard $20 disregard, subtract any health insurance premiums you pay (such as for supplemental, dental, or vision plans) and then subtract the maintenance needs level amount of $600 (for an individual) or $934 (for a couple)

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from your countable income. The remainder is your SOC.

Note: Medi-Cal does not pay the monthly Medicare Part B premium ($164.90 in 2023) for people with any SOC. For these beneficiaries, the Part B premiums will be automatically deducted from their Social Security checks.

If you have a SOC and meet your SOC in any given month, you will be paid retroactively for your Part B premium for that month. Medi-Cal will send the payment to the Social Security Administration (SSA) and SSA will refund you the premium amount. Any Part B premium refunds received from SSA will be counted as a resource, not income, in the month you receive it.

Also, if you meet your SOC for any one month between January 1 to June 30, you automatically qualify for the Part D Extra Help program for the rest of that calendar year. If you meet your SOC for any one month between July 1 to December 31, you qualify for Extra Help for the rest of that calendar year **and** the following year. For more information on Extra Help, see our online "Extra Help with Part D Costs" section at cahealthadvocates.org, or our E-003 Fact Sheet.

250% California Working Disabled Program

The 250% California Working Disabled (CWD) program helps Californians who are working (with proof of current employment) and have been determined to be disabled (before turning 65). Eligible Californians can receive full Medi-Cal without paying any monthly premium. In the past, qualified individuals had to pay a small monthly premium based on their income. Yet, as of July 1, 2022, a new California law allows the Department of Health Care Services to reduce the premiums to $0 for all beneficiaries in the 250% CWD program.

To qualify, you must:

- Meet the medical requirements of Social Security's definition of disability.
- Be working and earning income. This can be part-time, informal work.
- Have countable income less than 250% of the federal poverty level: $3,058/month for individuals and $4,130/month for couples (in 2023). The $20 disregard is included in these figures.

Disability income is **not** counted to determine eligibility for the 250% CWD program. This means that Social Security Disability Insurance (SSDI), Worker's Compensation, California State Disability Insurance, and any federal, state, or private disability benefits are not considered countable income to qualify for this program. Retirement benefits converted from disability benefits are also not counted. For more information, see the Disability Benefits 101 website at ca.db101.org/ca/programs/health_coverage/medi_cal/program2a.htm#250.

Note: You do not need to be a Medicare beneficiary to enroll in the 250% CWD program. And being a Medicare beneficiary does not preclude you from applying for the 250% CWD program either. If you have Medicare, the 250% CWD program pays your Medicare Part B premium and automatically qualifies you for the Part D Extra Help program.

How to Apply

If you apply for SSI through your local Social Security Administration office and qualify, you are automatically enrolled in Medi-Cal and sent a Benefits Identification Card (BIC). If you do not qualify for SSI, you may still qualify for one of the Medi-Cal programs mentioned above. To find out more information about your eligibility, contact your county Social Services (Medi-Cal) office. For a list of offices by county, visit https://www.ca.gov/services/medi-cal/Pages/CountyOffices.aspx.

If you or your spouse anticipate placement in a nursing home, contact your local county Medi-Cal office to learn about the Medi-Cal rules for long-term care. These rules are very different than the Medi-Cal rules that apply if you are not

in a nursing home. For more information about qualifying for Medi-Cal long-term care coverage, see the California Advocates for Nursing Home Reform's (CANHR) website at canhr.org.

Note: If you are hospitalized and think you might have to go to a nursing home, you can also ask to speak with the hospital's Medi-Cal specialist for assistance.

Apply for Medi-Cal as soon as you know you can't afford your medical expenses or nursing home placement because processing your application takes time. Medi-Cal must first determine your eligibility by verifying your income and personal assets before any Medi-Cal coverage can be approved. (Counties are supposed to process Medi-Cal applications within 45 days.) You can request that Medi-Cal pay retroactively for the 3 months prior to the month in which you apply.

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This fact sheet contains general information and should not be relied upon to make individual decisions. If you would like to discuss your specific situation, call the Health Insurance Counseling and Advocacy Program (HICAP). HICAP provides free and objective information and counseling on Medicare and can help you understand your specific rights and health care options. You can call **1-800-434-0222** to make an appointment at the HICAP office nearest you.

Note: Online access to all CHA fact sheets on Medicare and related topics is available for an annual subscription. See cahealthadvocates.org/fact-sheets/.

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