



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.

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 the county

you are in. 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 waived for dual eligibles. For more information on MA plans, see our online Medicare Topics section on [Medicare Advantage](http://cahealthadvocates.org) at cahealthadvocates.org, or our C-001 Fact Sheet.

For Medi-Cal benefits in some counties, you must join a Medi-Cal managed care plan, but in other counties, you may use fee-for-service Medi-Cal.

If you are in a county where 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.

Note: if you live in one of the following seven counties (Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo or Santa Clara), you have the option to receive your care in a different way due to California's Coordinated Care Initiative. 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. Medi-Cal also pays for some cough and cold medications, over-the-counter drugs, and vitamins and minerals.

Note: if you are in Cal MediConnect, you will get your prescription drugs through your Cal MediConnect managed care 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 \$1.30 and \$8.95 per prescription (in 2020) 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 is a demonstration program with the goal of integrating care for dual eligibles. The demonstration is in seven selected counties: Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo and Santa Clara. Not all Medi-Medis are eligible for the demonstration. Those who are, have the option to receive all their Medicare- and Medi-Cal-covered care through one managed care plan. Specifically, all Medicare Parts A, B, and D services (hospital care, outpatient care and

prescription drug coverage) and all Medi-Cal services, including long-term care services and supports, are covered by one plan. Vision and transportation benefits are also included. Beneficiaries who are eligible for this demonstration can "opt out," i.e. receive their Medicare benefits through Original Medicare or a Medicare Advantage plan, but they must still access their Medi-Cal benefits through a Medi-Cal managed care plan available in their area. For more information, see our fact sheet (available via subscription) called Low-Income Assistance: Cal MediConnect. Also visit calduals.org or call your local HICAP.

How to Qualify

To qualify for most Medi-Cal programs, you must first meet the asset requirement. You can have up to \$2,000 in assets as an individual, or \$3,000 in assets as a couple. 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 \$943.72 for an individual or \$1,582.14 for a married couple in 2020. (Higher income levels apply for individuals who are blind.)

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 \$1,294 per month for an individual or \$1,747 per month for a couple.

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) from your countable income. The remainder is your SOC.

Note: Medi-Cal does not pay the monthly Medicare Part B premium (\$144.60 in 2020) 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), have been determined to be disabled (before turning 65), and whose incomes are too high to qualify for free Medi-Cal. Eligible Californians can get Medi-Cal by paying a monthly premium based on their income. Premiums range from a minimum of \$20 to a maximum of \$250 per month for an individual or from \$30 to \$375 for a couple.

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: \$2,658/month for individuals and \$3,592/month for couples (in 2020).

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.dhcs.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.

Note: Due to the COVID pandemic, there may be delays in processing applications. Check with your local county or Health Insurance Counseling and Advocacy Program (HICAP) for up-to-date information. HICAP's number is below and in the footer of this fact sheet.

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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/.