



**BAY AREA LEGAL AID**  
**HEALTH CONSUMER CENTER**

**MEDI-CAL, MEDICARE, AND COVERED CA**

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# HEALTH CONSUMER CENTER (HCC)

- Legal advice hotline providing free assistance on health care coverage and health access issues
- Legal advice, brief services, and extended representation, including representation at State Fair Hearings
- Free language interpretation services available via a telephone interpreter service
- Serves residents of 7 Bay Area Counties: Alameda, San Francisco, Contra Costa, Napa, Marin, Sonoma, and Santa Clara. (San Mateo residents served by our contractor, Legal Aid Society of San Mateo County.)
- All services are **FREE** and we welcome all income levels.

# HCC PRACTICE AREAS

- Health plan eligibility, enrollment, and disenrollment issues
- Access to medically necessary services (including treatment denials, gender-affirming care, In-Home Supportive Services, prescriptions, transportation, and appeals)
- Types of insurance
  - Medi-Cal and Denti-Cal
  - Covered California
  - Medicare
  - Private health insurance (including employer-based insurance)
- Medical debt
- County Medically Indigent Programs

# HOW TO GET SERVICES

- Call our HCC hotline at 1-855-693-7285
- Monday – Friday, 9:00 am – 1:00 pm
- Services available in all languages
- Free!
- No income requirement!

# MEDICARE AND MEDI-CAL

## Medicare

- 65+, blind or disabled
- Covers hospital services, physician services, prescription drugs

## Medi-Cal

- Low-income individuals
- Provides hospital services, physician services, long-term services and supports

# MEDI-CAL: WHAT IS IT?

- Federal & state funded health insurance program for low-income persons residing in California
- Administered by California's Department of Health Care Services (DHCS)
- Eligibility is determined at the county level
  - Exception: Eligibility determined by Social Security Administration when it is SSI-linked.



# MEDICARE: WHAT IS IT?

- Federal health insurance program for individuals who are 65+, blind or disabled
  - Usually *tied to* and available to the *same people as with* Social Security/SSDI (but Part B is available to more people over 65)
- Medicare has 3 parts
  - **Part A**: Hospital services
    - Free if 40 quarters of work credits, 2 years of SSDI, or end stage renal disease
    - If not eligible for premium-free Part A, then pay either \$278 or \$506/mo in 2023
  - **Part B**: Outpatient services
    - Everyone\* pays premium for Part B. Standard premium is \$164.90 for 2023
  - **Part D**: Prescription drugs
    - Premium amount varies depending on plan selected
- **Part C**: Medicare Advantage plans delivering Parts A, B, and D benefits. Have their own premiums.

# MEDICARE & MEDI-CAL OVERLAP

- Medicare & Medi-Cal insurance benefits can overlap. **Medi-Cal is always payer of last resort.**
  - Medicare is primary and pays first. Medi-Cal billed after Medicare has paid their share.
- For Part B physician services, Medicare pays 80% and the leftover 20% co-payment is billed to Medi-Cal
- Providers cannot bill you for Medicare co-payments or deductibles if you have free Medi-Cal
  - Exception: Medi-Cal does not pay for Medicare-covered prescription drugs
    - For Part D prescription co-payments: \$1.45-\$4.15 for generics, \$4.30-\$10.35 for brand-name drugs



# TYPES OF MEDI-CAL COVERAGE

- Free, Full-Scope Medi-Cal (most Medi-Cal recipients): No cost-sharing nor responsibility to pay for services. \$0 out-of-pocket.
  - Pays for “medically necessary” health care and treatment when using a Medi-Cal provider
  - More flexible “correct or ameliorate” standard for children up to 21
- Share of Cost (SOC): Income is too high for free Medi-Cal and must pay out-of-pocket before Medi-Cal coverage starts. Also applies to individuals with Long Term Care Medi-Cal.
- Restricted Scope Medi-Cal: Free covered services restricted to emergency services and pregnancy-related services (for undocumented adults, including pregnant people).

# MEDI-CAL: ELIGIBILITY CRITERIA

## ✓ Income Limits

- Adults & children (MAGI)
- Seniors 65+ & people with disabilities (Non-MAGI)

## ✓ Resource/Asset Limits

- **NONE** for MAGI
- **YES** for non-MAGI (for now)
  - Up to \$130,000 for 1 person, add'l \$65,000 for 2

## ✓ Residency

- Live in California with “intent to reside”

# ELIGIBILITY: WHO GETS MEDI-CAL?

- Programmatically-linked: *i.e.*, SSI, CalWORKs
- Seniors or persons with disabilities
- Low-income adults aged 19-64
- Foster care, adoption assistance
- Parent/Caretaker Relatives
- Infants and children up to age 19
- Pregnant women
- Former foster youth up to age 26
- Long term care residents



# 2024 MEDI-CAL EXPANSIONS

Beginning January 1, 2024...

1. Full-scope Medi-Cal available to all otherwise eligible Californians *regardless of immigration status!*
2. Free or Share of Cost Medi-Cal available to Non-MAGI Medi-Cal recipients *regardless of assets held!*

NOTE: income derived from assets is still counted.

# IMMIGRATION STATUS & MEDI-CAL IN 2023

**Full-scope Medi-Cal** available to **qualified** immigrants meeting certain status requirements or immigrants who are **present under color of law (PRUCOL)**

**PRUCOL:** not a status but a category for receipt of benefits. For example, DACA recipients: present and no deportation action taken. Must complete MC-13 form

## **If no qualifying status:**

- Under age 26 – full scope! (started January 2, 2020)
- Age 50 or older – full scope! (started May 1, 2022)
- 26 – 49 years old – restricted scope only until 2024

# DETERMINING INCOME MAGI VS. NON-MAGI



## TRADITIONAL MEDICAL CATEGORIES

- **Aged, Blind, Disabled**
- **Medically Needy**
- **Long Term Care (skilled nursing facility)**
- **250% Working Disabled**

## MODIFIED ADJUSTED GROSS INCOME (MAGI) COUNTING RULES

- **Expansion Childless adults 19-64**
- **Pregnant people**
- **Children up to age 19**
- **Parent/Caretaker Relative**

# MEDI-CAL EXPANSION: WHAT IS MAGI?



- **Modified Adjusted Gross Income.**
  - If you hear MAGI, think taxes!
  
- **MAGI Calculation: Adjusted Gross Income + Non-taxable Social Security Benefits** (ex, Social Security Disability, Social Security Retirement), tax-exempt interest, foreign earned income
  - Adjusted Gross Income: Income Line 11 on IRS Form 1040 for 2021
  - Common tax deductions will affect the AGI, such as student loan interest deductions, and self-employment expenses, etc.
  - Common Income Exceptions: State Disability Insurance, financial assistance used to pay for tuition.

# INCOME LIMITS



Coverage Group	Income FPL	2023 Monthly Income (1 person)	2023 Annual Income (1 person)
Expansion adult, 19-64	138%	\$1,677	\$20,121
Parent/Caretaker Relative	109%	\$1,325	\$15,893
Aged, Blind, or Disabled*	138%	\$1,677	\$20,121
250% Working Disabled*	250%	\$3,038	\$36,450
Child, 0-19	266%	\$3,232	\$38,783

\*Non-MAGI



# MEDI-CAL EXPANSION: CONTINUED

Eligibility is determined by whether the applicant(s) income falls beneath the income limit for their household size.

- **Household Size: based on tax household size.**
  - Ex: Generally, tax household is the tax filer, spouse, and any dependents they claim.
- **Self-Employment Income**
  - Counted as reportable income but only the taxpayer's net business profit (or loss), as shown on their Schedule C.
- **IHSS Income Special Rules**
  - Under MAGI -based programs, IHSS wages received by IHSS providers who live in the same home with the recipient of those services are **excluded** from gross **income**.

# MEDI-CAL: INCOME FOR MAGI ELIGIBILITY

## Whose Income?

- Eligibility determined on an individual basis
- Only countable income of those in the MAGI Medi-Cal household will be used for determining eligibility
  - **Note:** Sometimes members of the same family have different MAGI household compositions. This may result in a child's or tax dependent's income counting for one household but not another.

## Fluctuating Income

- If income fluctuates, can use either current monthly income or projected annual income
- Projected annual income is helpful if person would be considered ineligible for the current month

# NON-MAGI MEDI-CAL

- Non-MAGI Medi-Cal programs have both income and asset requirements unlike MAGI Medi-Cal.
  - Aged, Blind, & Disabled Medically Needy programs
  - 250% Working Disabled Program
  - Share of Cost & Long Term Care programs
  - **Countable Income:** income after all applicable deductions are made. Deductions can vary from one program to another.
- **Asset Limits (unlike MAGI Medi-Cal) until Jan 1, 2024**
- **Aged, Blind, and Disabled:** Individuals 65+ or under 65 and disabled.
- **250% Working Disabled:** program for disabled individuals who are over income for Aged & Disabled program.

# MEDI-CAL ASSET & RESOURCE RULES

**Non-MAGI Medi-Cal categories have an asset/resource limit**

- **Asset Limit effective July 1, 2022**
  - Single: \$130,000/mo (was previously \$2,000)
  - Couple: \$195,000/mo (was previously \$3,000)
- A house is exempt (if you live in the home) and 1 car (2 cars for a couple).
- **IRAs, KEOGHs, and other work-related pension plans:** Exempt if the family member whose name it is in does not want Medi-Cal. If held in the name of a person who wants Medi-Cal and payments of principal and interest are being received, the balance is considered unavailable and it is not counted
- **Life insurance policies:** Exempt if the face value is \$1,500 or less
- Irrevocable burial trusts or irrevocable prepaid burial contracts

# COUNTABLE INCOME FOR NON-MAGI MEDI-CAL

Countable Income for Medi-Cal purposes is calculated by taking monthly income minus applicable common deductions:

- **Medical insurance premiums** (including Medicare Pt B **even if paid by Medi-Cal already**, other supplemental insurance)
- **Automatic \$20 deduction**
- **Any Employment Income Deductions (aka earned income)**
  - Deduct \$90 Employment Income
  - Subtract any Impairment-related expenses paid to become/remain employable (if you are disabled)
  - Subtract any Income-related work expenses (ex. transportation, uniforms, etc.) (if you are blind)
  - Divide in half the balance of employment income deductions

*Ex: Joe earns \$3,000 in employment a month.  $3,000 - 65/2 = \$1,467.5$  countable income.*

*\*These rules apply to spousal employment as well.*

# CALCULATING THE SHARE OF COST

Share of Cost is Calculated by the County Office

- **Share of Cost** = Countable Income minus the Maintenance Need Level for the household
- **Maintenance Need Level** is set by the govt and the amt of income the govt allows a beneficiary to retain for rent, food, utilities. It is a standard level and does not take into account cost of living.
  - Single person \$600
  - Couple \$934
  - Nursing home/LTC: \$35
- SOC = non-exempt income minus \$20 minus maintenance need level = SOC amount
  - \$1750 - \$20 - \$600 MNL = \$1130 share of cost

# SHARE OF COST: COMMON STRATEGIES

- Combining unpaid bills in one month to meet the SOC
- Group health services into as few months as possible so that you only have to pay out-of-pocket for health services during as few months as possible.
- Medical expenses paid on behalf of another family member
- Supplemental medical insurance
  - Reduce someone's countable income to either at or below the free Aged & Disabled limit (\$1,677 for single person in 2022). Paid monthly premiums for supplemental insurance (vision, dental, Medigap) can be deducted from the household's countable income.
  - Premiums paid on behalf of other immediate family members (spouse, child, etc).
- Look to eligibility for 250% Working Disabled Program instead

# 250% WORKING DISABLED PROGRAM

Provides full-scope Medi-Cal with a monthly premium to working disabled individuals with countable income below 250% FPL.

▪ Criteria:

- 1) **Disabled** – SSA or Medi-Cal determination of disability
- 2) **Minimal employment** –beneficiary must engage in minimal employment. No set minimum hours, wages to qualify.
  - Ex. babysitting, filling out forms, gardening, recycling, etc.
- Under 250% WDP, all disability income is **exempt!** The monthly premium is on a sliding scale and determined by the non-exempt income. The lowest monthly premium is \$20.
- Impairment-related work expenses are deductible
  
- Allows beneficiary to save employment income, in a separate bank account, in excess of the Medi-Cal \$130,000 asset limit.



# CALIFORNIA ADVANCING AND INNOVATING MEDI-CAL (CALAIM)

California Advancing and Innovating Medi-Cal (CalAIM) is DHCS's "long-term commitment to transform and strengthen Medi-Cal, offering Californians a more equitable, coordinated, and person-centered approach."

CalAIM components:

- Enhanced Care Management for "Populations of Focus"
- Community Supports

# ENHANCED CARE MANAGEMENT (“ECM”)

- Uses whole-person approach to address clinical and non-clinical needs of high need beneficiaries through intensive coordination of health and health-related services
- Meet the beneficiaries where they live, seek care, or prefer to access services (home, shelter, street, doctor’s office, etc.)
- Lead Care Manager to coordinate care and services, including:
  - Physical, behavioral, dental, developmental, and social services
- Managed Care Plan required to contract with ECM providers to deliver ECM to beneficiaries

# ECM POPULATIONS OF FOCUS

- Unhoused people
- “High utilizers” of emergency rooms or nursing care
- Adults with serious mental illness or substance use disorder
- Children and youth at clinical high risk for psychosis or experiencing a first episode of psychosis
- People transitioning to the community from incarceration or nursing facilities
- Adults at risk of institutionalization and eligible for long-term care.
- California Children’s Services enrollees
- Past or present child-welfare-involved children & youth (including former foster youth up to age 26)

Reference;

<https://www.dhcs.ca.gov/CalAIM/Documents/CalAIM-ECM-a11y.pdf>

# ENHANCED CARE MANAGEMENT - EXAMPLE

“Frank has struggled with opioid addiction while living on the streets of San Francisco for the past four years. Frank visited the emergency department seven times in the last two years because of overdoses and he returns to the streets after brief stays in shelters. In 2020, Frank contracted COVID-19 and continues to experience long-term symptoms. CalAIM’s Enhanced Care Management connects Frank with a care manager. They can meet at a nearby food bank to make plans for him to see his mental health provider to get his medication adjusted, and to follow up with his primary care doctor. The case manager can also connect Frank to a local Community Supports provider who will help him secure safe, supportive housing.”

Reference: <https://www.dhcs.ca.gov/CalAIM/Documents/CalAIM-ECM-a11y.pdf>

# COMMUNITY SUPPORTS

- Community Support
  - New services provided by Medi-Cal managed care plans
  - Cost effective alternative or substitute to traditional medical services or settings
  - Designed to address social drivers of or factors influencing
    - Includes medically supportive foods or housing supports
  - 14 pre-approved Community Supports available to eligible Medi-Cal beneficiaries regardless of whether they qualify for Enhanced Care Management Services

# COMMUNITY SUPPORTS

- Housing Transition Navigation Services
- Housing Deposits
- Housing Tenancy and Sustaining Services
- Short-Term Post-Hospitalization Housing
- Recuperative Care (Medical Respite)
- Day Habilitation Programs
- Caregiver Respite Services
- Nursing Facility Transition/Diversion to Assisted Living Facilities
- Community Transition Services/Nursing Facility Transition to a Home
- Personal Care and Homemaker Services
- Environmental Accessibility Adaptations (Home Modifications)
- Medically Supportive Food/Meals/Medically Tailored Meals
- Sobering Centers
- Asthma Remediation

Reference:

<https://www.dhcs.ca.gov/CalAIM/Documents/CalAIM-CS-a11y.pdf>

# COMMUNITY SUPPORTS

“Jackie has diabetes and had a foot amputated. While recuperating in the hospital, Jackie was scared she wouldn’t be able to manage living alone in her townhouse. In CalAIM’s Community Supports services, Jackie’s Enhanced Care Manager will work with a Community Supports navigator to help arrange home improvements like a ramp to her front door, and grab bars in areas like the bathroom, so she can live independently despite her new limited mobility. CalAIM will help Jackie live a full and dignified life.”

Reference:

<https://www.dhcs.ca.gov/CalAIM/Documents/CalAIM-CS-a11y.pdf>

# ACCESSING ENHANCED CARE MANAGEMENT AND COMMUNITY SUPPORT

- Provided **through Medi-Cal Managed Care Plans**
- Sometimes administered through a third-party agency
- Can be difficult– be persistent!
- First denials are not a sign of later outcomes



# MEDI-CAL DENTAL BENEFITS

Medi-Cal provides dental benefits via Medi-Cal Dental (aka “Denti-Cal”  
(fee-for-service)

Major covered services include:

- Initial exam, cleanings, fillings, fluoride treatments, X-Rays, root canals (front teeth), crowns, full and partial dentures, orthodontics/braces (if under 21 in age), and more
- Soft cap of up to \$1800 in covered services per year
- Providers may not bill patients if Medi-Cal pays any for service
- More at [www.smilecalifornia.org](http://www.smilecalifornia.org)
- Telephone Service Center: 1-800-322-6384



# MEDI-CAL RX



- Began January 1, 2022. Prescription medication is no longer covered by the managed care plan.
  - Exceptions: Programs of All-Inclusive Care for the Elderly (PACE), Senior Action Care Network (SCAN), and Major Risk Medical Insurance Program (MRMIP)
- Rehailed the Contract Drug List (CDL) in February 2022, removing some prior authorization (PA) requirements.
- Beneficiary Portal <https://medi-calrx.dhcs.ca.gov/member/>
- Complaints or questions: Call (800) 977-2273
  - Also can be mailed, faxed, or by logging into [Medi-Calrx.dhcs.ca.gov](https://medi-calrx.dhcs.ca.gov)

# HOW TO APPLY FOR MEDI-CAL

- **ONLINE**

- <https://www.coveredca.com/apply/> - Download application or fill out online
- <https://benefitscal.com>

- **IN PERSON/BY MAIL/BY PHONE**

- At local county office

- **ACCELERATED ENROLLMENT**

- Brand new program that grants temporary Medi-Cal benefits for applicants while their eligibility is being processed