

Medi-Cal Qualifying and Community Spouse Resource Limits

By Robert J. Cullen, CFP

When qualifying an ill, married person for Medi-Cal long-term care assistance, that individual's well spouse is allowed to keep non-exempt assets up to the current limit of the Community Spouse Resource Allowance (CSRA). The CSRA limit for 2002 is \$89,280. However, *Medi-Cal requires that the well spouse meet the CSRA requirement only once—the last day of the month of qualification.*

It is a widely held misconception that the married person must continue to keep his or her non-exempt assets within the CSRA limits. This is not required by Medi-Cal. Once eligibility is achieved for the ill spouse, the well spouse's assets can grow to any level. The well spouse could win the lottery, yet the ill spouse would still be eligible for assistance. Consumers often worry needlessly, believing incorrectly that they must continually "spend-down" assets to keep within the CSRA limit.

This issue was addressed in All County Welfare Director (AWCD) Letter No.: 90-01, issued January 5, 1990. This letter officially instructed county welfare departments to implement on January 1, 1990 the provisions contained in an attached set of the draft regulations. An explanatory question-and-answer section, preceding the draft regulations, addresses post-eligibility CSRA issues in plain language.

AWCE Letter No.: 90-01, Page 7, Question 12, contains this statement: *"Once initial eligibility has been established and the CSRA transfer period begins, the county department does not concern itself with the property of the community spouse or the property included in the CSRA."*

Unfortunately, front-line Medi-Cal eligibility workers seldom see All County Welfare Directors letters. Consequently, Medi-Cal redetermination workers sometimes incorrectly instruct well spouses to spend-down their CSRA assets below the limit after eligibility has been established. If this happens to you, you can appeal the decision through the Medi-Cal hearing process. You may also want to consider obtaining professional assistance to represent you at the hearing. An experienced elder finance advisor or elder law attorney can sometimes resolve this issue without going to the expense of a hearing.

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