

March 15, 2018

The Honorable Joaquin Arambula
Chair, Assembly Budget Subcommittee 1 on Health and Human Services
State Capitol, Room 5155
Sacramento, CA 95814

The Honorable Richard Pan
Chair, Senate Budget Subcommittee 3 on Health and Human Services
State Capitol, Room 4070
Sacramento, CA 95814

Re: Senior Equity - Raise the Medi-Cal Aged & Disabled Income Limit to Same Limit as Other Adults

Dear Drs. Arambula and Pan,

The undersigned organizations respectfully request the Legislature appropriate \$30 million to raise the income level of the Medi-Cal Aged & Disabled program (A&D program) to 138% FPL, creating a “brightline” of Medi-Cal income eligibility. This will create parity between senior and disabled Medi-Cal beneficiaries, and other adult Medi-Cal beneficiaries.

Implemented in 2001, the A&D program provides free, full-scope Medi-Cal to low-income seniors and persons with disabilities. When the program was created, income eligibility was set at 100% FPL, plus income disregards of \$230 and \$310 for individuals and couples, respectively. In 2001, that set eligibility at 133% FPL. But because the income disregards have remained static, the income eligibility limits lose value every year and are currently 123% FPL, or \$1,242 a month for an individual.

When a beneficiary’s income increases above 123% FPL, she is moved into the Medically Needy program with a share of cost. This share of cost means that a beneficiary must spend all of her monthly income, less \$600, on healthcare before Medi-Cal will cover any services. Take for example a senior earning \$1,255 monthly, or 124% FPL. Before Medi-Cal will pay for services, this senior would need to pay \$655 out of pocket on health care costs, leaving her only \$600 per month for all her other living expenses.

This low eligibility threshold, coupled with the high share of cost means that, unlike all the adult beneficiaries covered under the Affordable Care Act who qualify for free Medi-Cal up to 138% FPL, seniors and people with disabilities must pay more than half their income before they can access Medi-Cal coverage. We urge you to provide parity for low-income seniors and persons with disabilities who are currently living with a high share of cost in the Medi-Cal program.

Sincerely,
Organizations signing-on