



## Medi-Cal Basic

### MEDI-CAL (MEDICAID) EXEMPTIONS AND ALLOWANCES



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The goal for Medi-Cal planning is to try to keep as many of the assets (resources) and as much of the income as possible for the use of the well-spouse or, maybe even, the children. Below are two of the important monetary limits for Medi-Cal purposes.

There are really three focuses for Medi-Cal purposes. The first is qualifying for Medi-Cal and the Community Spouse Resource Allowance (CSRA) is the limitation that applies. Once a couple has qualified, the next question is how much will Medi-Cal pay per month. Here the Community Spouse Minimum Monthly Maintenance Needs Allowance (MMMNA) is the factor to be considered. Lastly, one must remember that Medi-Cal assistance is viewed by the government as a loan and not a gift. Therefore, they want their money back after the disabled spouse and well spouse die. There are various methods to increase the amount of assets passing to the children and reducing or eliminating what reimbursement Medi-Cal obtains. [\(See my article "Irrevocable Trust Can Avoid Medi-Cal Reimbursement Claim"](#) and [QMap Trust and Medi-Cal\)](#)

Year	Medi-Cal Community Spouse Resource Allowance <a href="#">(see below for definition)</a>	Medi-Cal Community Spouse Minimum Monthly Maintenance Needs Allowance <a href="#">(see below for definition)</a>
1997	\$79,020	\$1,976
1998	80,760	2,019
1999	81,960	2,049
2000	84,120	2,103
2001	87,000	2,175
2002	89,280	2,232
2003		
2004	92,760	2,319



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2005	95,100	2,378
2006	99,540	2,489
2007	101,640	2,541
2008	104,400	2,610
2009	109,560	2,739
2010	109,560	2,739
2011	109,560	2,739
2012	113,640	2,841
2013	115,920	2,898
2014	117,240	2,931
2015	119,220	2,981
2016	119,220	2,981
2017	120,900	3,022.50

#### Medi-Cal Community Spouse Resource Allowance:

This is the net worth that the well spouse can have when the disabled spouse applies for Medi-Cal assistance. There are various assets which are exempt (not counted) and there are court procedures by which this allowance can be increased. The disabled spouse is entitled to an additional \$2,000 of net worth.

#### Medi-Cal Community Spouse Minimum Monthly Maintenance Needs Allowance (MMMNA):

This is the income to which the well spouse is entitled while the disabled spouse is receiving Medi-Cal assistance. The disabled spouse is entitled to \$35 per month. Whatever income he has above that (unless it is exempt income) must be paid toward the nursing home cost (LTC). Medi-Cal pays the excess. If the well spouse's income is below the MMMNA, then as much of the disabled spouse's income as is necessary can be allocated to the well spouse to bring her up to the MMMNA; thereby causing less of the disabled spouse's income to be paid to the nursing home, obtaining a larger monthly contribution from Medi-Cal, and saving more of the family income for the well spouse.

Let's use as an example the disabled spouse with an income (let's say social security and



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pension) of \$1035 and the well spouse with an income of \$1000. Ignoring the MMMNA, the disabled spouse would have to pay \$1000 toward LTC. So the well spouse would have the \$35 left from the disabled spouse's income plus her own \$1000 to live on. However, under the MMMNA provision, the well spouse comes out far better. Using the 1998 numbers for our example, she would be short of the MMMNA by \$1019 ( $2019 - 1000 = 1019$ ). So that amount would be allocated to the well spouse from the disabled spouse's income leaving the disabled spouse with \$6 ( $1035 - 1019 = 6$ ). Since the disabled spouse is entitled to up to \$35, no family income would need to be paid to LTC and Medi-Cal would pay the entire monthly amount.

Certain types of income are exempt, some is automatically allocated to the well spouse, and there are court procedures by which the MMMNA can be increased.

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