



March 28, 2019

The Honorable Jim Wood, Chair
Assembly Health Committee
California State Capitol, Room 6005
Sacramento, CA 94249-0002

Re: AB 683 (Carrillo) Medi-Cal: eligibility – Support

Dear Assemblymember Wood,

I am writing to you on behalf of the California Alliance for Retired Americans (CARA) to support AB 683 (Carrillo) to increase the assets limits for Medi-Cal programs serving seniors and persons with disabilities. CARA is California's largest grassroots senior advocacy organization, representing one million seniors and their families through our 270 affiliated organizations. Assuring that Medi-Cal covers more low-income seniors and people with disabilities is a priority of our organization.

The outdated Medi-Cal asset test drives financial instability for seniors in a racially inequitable way. A senior enrolled in the Aged & Disabled Medi-Cal program, is restricted to \$2,000 in a bank account and a couple to \$3,000. These limits have not changed since 1989. The current asset limit prevents seniors and persons with disabilities from having adequate resources to weather a crisis, such as an eviction, a leaking roof, or a major vehicle repair. When faced with the decision of qualifying for Medi-Cal or having additional savings, most seniors rationally spend down their savings as the cost of their health care is more than they have saved. This puts them at risk of further instability or homelessness when financial crises happen. These rules also disproportionately punish seniors of color because they are more likely to have cash savings instead of an exempt home.

AB 683 makes three important changes to the Medi-Cal asset rules: (1) it will update the assets limits for programs serving seniors and persons with disabilities to \$10,000 for an individual and an additional \$5,000 for each additional household member, with annual indexing; (2) it will expand and simplify the list of items to be excluded from the assets test for those Medi-Cal programs still subject to the assets test; and (3) it will eliminate the assets test entirely for the Medicare Savings Programs, programs where Medi-Cal pays for an individual's Medicare premiums and co-payments.

CARA asks for your AYE vote on AB 683 to provide equity and stability for low-income seniors and persons with disabilities who are subject to the assets test.

Sincerely,

A handwritten signature in cursive script that reads "Hene Kelly".

Hene Kelly
Legislative Director
415-533-5244