



The Honorable Lisa Calderon
State Capitol
Sacramento, California 95814

February 26, 2021

RE: AB 848 (Calderon)– SUPPORT

Dear Assemblymember Calderon,

The California Alliance for Retired Americans (CARA) writes in strong support of AB 848, which would increase the Medi-Cal monthly maintenance need for long-term care from \$35 to \$80 per month. CARA is California's largest grassroots advocacy organization, representing over 1 million members through our 300+ affiliated organizations.

Existing law requires the CA Dept. of Health Care Services to establish income levels for maintenance need at the lowest levels that reasonably permit a medically needy person to meet their basic needs for food, clothing, and shelter, and for which federal financial participation will still be provided under applicable federal law. In calculating the income of a medically needy person in a medical institution or nursing facility, or a person receiving institutional or noninstitutional services from a Program of All-Inclusive Care for the Elderly organization, the required monthly maintenance amount includes an amount providing for personal and incidental needs in the amount of not less than \$35 per month while a patient. Existing law authorizes the department to increase, by regulation, this amount as necessitated by increasing costs of personal and incidental needs.

This bill would increase the monthly maintenance amount for personal and incidental needs from \$35 to \$80, and would require the department to annually adjust that amount by the same percentage as the Consumer Price Index. Costs for personal and incidental needs are much higher than what is currently provided. CARA would suggest further that the monthly allowance be based on the Elder Economic Index calculation, rather than the CPI, which is a much more realistic assessment of the costs incurred by low income people for necessary purchases.

For all these reasons, CARA urges support of AB 848.

Sincerely,

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

Hene Kelly
CARA Legislative Director
415-533-5244

CARA/ 600 Grand Ave. #410/ Oakland, CA 94610/ 510-663-4086/ www.californialliance.org