

Ways to Lower or Stop your Medi-Cal Share of Cost

Read below to find out how you can lower or stop your share of cost!

What is a share cost? When you apply for Medi-Cal and are over the income limit for free Medi-Cal, you may qualify with a share of cost. The share of cost is like a private insurance plan’s monthly deductible. You only pay if you get medical care. You only need to pay for healthcare costs up to the amount of your share of cost. Once you have met your share of cost, we will pay for the rest of your services in that month that are covered by Medi-Cal. If you do not receive healthcare services or benefits in a month, you do not have to pay anything.

The share of cost is based on your monthly income. To see how it is calculated you can look at the notice of action that was sent to you. On your notice of action, it will look something like this:

| | |
|---------------------------------|------------|
| Gross Income..... | \$2,000 |
| Net Non-Exempt Income..... | \$1,835.10 |
| Maintenance Need..... | \$600 |
| Excess Income/Share of Cost.... | \$1,235.10 |

What is income? Income is any money you get each month. We look at the type of income you have and any available deductions to calculate the amount of your countable income. This helps us find out if you can get free Medi-Cal or if you will have a share of cost. Some examples of income include earnings from a job, unemployment benefits, self-employment income, and retirement benefits.

Some examples of deductions include childcare, child support payments, and alimony. Below is more information about deductions.

- **Gross income** is your total income before any deductions.
- **Net non-exempt income** is your income after deductions (sometimes called “countable income”).

What is the Maintenance Need? The maintenance need is the amount of money you can keep per month for basic living expenses if you have a share of cost. The maintenance need is set by law and is not your actual living costs. We deduct the maintenance need from your monthly countable income. The chart below shows the current maintenance need by household size:

| Household Size | Maintenance Need |
|-------------------------------|------------------|
| 1 person | \$600 |
| 2 persons (1 adult + 1 child) | \$750 |
| 2 adults | \$934 |
| 3 persons | \$934 |
| 4 persons | \$1,100 |
| 5 persons | \$1,259 |
| 6 persons | \$1,417 |

The household size generally consists of all family members living in your home. This can include parents, children, spouses, and caretaker relatives.

How to Reduce or Stop Your Share of Cost

What are available deductions? A deduction is an amount of money we subtract from your countable income. Some examples of common deductions that may apply to you are:

- Health insurance premiums (such as health, dental, vision, Medicare prescription drug and supplemental plans),
- Upkeep of your home (for people who can return home within 6 months), and your spouse, registered domestic partner, or family are not living in the home,
- Support of a spouse/minor or dependent family member(s) living at home,
- Continued support of a disabled relative of any age,
- Court-ordered child/spousal support,
- Court ordered guardianship or conservatorship fees,
- Personal needs allowance of \$35.

If you think that any of these deductions apply to you, contact your county welfare office. We might be able to lower your share of cost. There are ways to lower or stop your share of cost for Medi-Cal services, including In-Home Supportive Services (IHSS). Look at the five (5) options below. See which option(s) might work for you.

Remember: You can always ask for a state fair hearing if you think your share of cost should be less or if you think you should not have a share of cost.

Option 1: Provide proof of extra health insurance premium costs.

Extra health insurance premium costs can be used to lower your countable income and may help you get rid of your share of cost. Some examples of extra health insurance premium costs are dental and vision plans, or Medicare Part D prescription plans.

For example:

| | |
|------------------------------|-------------|
| Gross Income: | \$ 1,900.00 |
| 2023 Medicare Part B Premium | \$-164.90 |

| | |
|--|-------------|
| Any \$20 Deduction (everyone gets this deduction) | \$-20.00 |
| Income after deductions | \$1,715.10 |
| The 2023 Limit for free Medi-Cal (for one person): | \$-1,677.00 |
| The difference is: | \$ 38.10 |

In this example, you are over income for Medi-Cal because the limit for one household member is \$1,677 per month. To qualify for free Medi-Cal, you can buy an extra health insurance policy that costs at least \$38.10 per month. In many cases, this is less expensive than your share of cost. If you already have extra health insurance that you did not report to the county, you can show proof of the health insurance premiums and that cost can be deducted from your countable income.

Use the above formula to estimate how much you would need to spend on extra health insurance below. To find the cost of your monthly premiums, look at your annual Social Security Statement, and/or insurance company billing statements. Please note, this example is for an individual only:

| | | |
|----|---|-------------|
| 1. | Enter your Gross Income: | \$ |
| 2. | Enter total of healthcare premium amounts you are currently paying (Examples include Medicare or extra health insurance): | \$- |
| 3. | Any \$20 Deduction (everyone gets this deduction): | \$-20.00 |
| 4. | Income after deductions (Subtract 2 and 3 from 1): | =\$ |
| 5. | The 2023 Limit for free Medi-Cal (for one person): | \$-1,677.00 |
| 6. | The difference is (Subtract 5 from 4): | =\$ |

Note: If you choose this option you will have to give the county proof of the amount of the health insurance premiums. You may want to talk to your county eligibility worker before buying additional health insurance.

The amount of other health care premiums needed can vary if the household income or expenses change or if the program cost changes.

If you have or are eligible for Medicare, you can talk to a registered health insurance counselor for free one-on-one counseling and to ask about finding extra health insurance plans call:

California Health Insurance Counseling
& Advocacy Program (HICAP)
1-800-434-0222
TTY users should call 711.

Option 2: Ask to be evaluated for the 250 Percent Working Disabled Program.

The 250% Working Disabled Program is another Medi-Cal program that has its own eligibility rules. We do not count your disability income (including Social Security retirement benefits) to see if you qualify for this program. If you qualify for the program, you may be able to get Medi-Cal coverage for a small premium or for free. To be evaluated for the program, no new application is required. Simply contact your county. You can do this by phone, internet, in person, or in writing.

There are two main requirements to be eligible for the Working Disabled Program:

- **Disability Requirement**

Individuals with disabilities must obtain certification that they are disabled according to Social Security Administration (SSA) standards. If you do not have a disability determination yet, you can:

- Contact your county to request a disability determination, or
- Apply for Social Security Disability Income

- **Flexible Work Requirement**

You are required to work to participate in this program. There is no minimum number of hours you must work or minimum amount you have to earn. You can work as little as one hour per month. You can be doing any kind of work, such as:

- recycling bottles and cans,
- caring for someone's pet,
- clipping coupons for someone,
- childcare, or
- tutoring.

You have to provide proof that you are working to your county. It can be as simple as a note from the person you are working for, showing how much they are paying you per month. A formal paystub or check from a payroll company is not required.

Option 3: Special rules for married couples and registered domestic partners.

Are you married or in a registered domestic partnership?

Do you need nursing home care? Or help with personal care services at home, like dressing, bathing, walking or other types of personal care?

If you answered yes to any of these questions, there are special Medi-Cal rules that could lower or stop your share of cost. Ask your county eligibility worker about these special Medi-Cal rules, called the “Medi-Cal Spousal Impoverishment Rules,” to see if your Medi-Cal share of cost could be lowered or stopped.

Option 4: Use health care costs to lower or stop your share of cost.

- **Use old unpaid medical bills towards reducing your share of cost.**

If you have medical bills from a previous month that aren’t covered by Medi-Cal that you have not yet paid, you may be able to use these bills towards the current or future month’s share of cost. Submit unpaid bills to your county worker so they can apply them towards your share of cost. All covered services after this date can be paid for by Medi-Cal in that given month.

- **Apply licensed Board and Care monthly facility costs toward your share of cost.**

There is a special “Board and Care Deduction” (California Code of Regulations, Title 22 Section 50515(a)(3)), which can help you lower or stop your share of cost. To have your Board and Care Deduction calculated, provide your local county office with a copy of your Admission Agreement from a licensed board and care facility.

Option 5: How to Meet Your Share of Cost Using Medical Expenses.

There are several ways you can use health care costs to lower or stop your share of cost.

- **Schedule multiple appointments/procedures in the same month**
Every month, your share of cost renews. You may be able to schedule multiple medical appointments or procedures in the same month. After you pay for the medical care, your Medi-Cal provider must report your payments. After you have met your share of cost for the month, the rest of the services can be covered by Medi-Cal.

Example: Month of May

| Your share of cost | \$1,000 | |
|---|-----------------|---------------|
| | Medical Expense | Remaining SOC |
| 1 st medical appointment (May 2nd) | \$400 | \$600 |
| 2 nd surgical procedure (May 12th) | \$600 | \$0 |

In this example, the share of cost was met on May 12th. All covered services after this date will be paid for by Medi-Cal.

- **Apply health care costs towards your share of cost.**

Report qualified health care costs that you would like applied towards your share of cost to your local county office. Some examples include:

- purchase of medical equipment,
- purchase of prescription drugs,
- payment for medical services (including dental, mental health, and other services).

You can also use other medical costs that Medi-Cal does not pay for to meet your share of cost. These could be costs:

- from providers that do not take Medi-Cal,
- for things Medi-Cal sometimes pays for, but has a denied treatment authorization request,
- for medical services Medi-Cal does not pay for, but are recognized as medical costs in State law,
- for medical expenses you paid on behalf of someone in your immediate family (spouse, registered domestic partner, minor children),
- for unpaid medical bills for someone in your immediate family (spouse, registered domestic partner, minor children),
- for some home care services, you pay for in addition to IHSS (see below) required for you to remain safely at home.

You will need to give your bills or receipts for these expenses to your county so they can apply them towards your share of cost.

Important information about In-Home Supportive Services (IHSS)

IHSS is a Medi-Cal benefit for eligible individuals. IHSS can provide services and supports to help you remain safely in your home. Some examples of IHSS services and supports are assistance with:

- personal care
- cooking/food preparation
- laundry/cleaning

You can request an IHSS assessment from your county. The county will need to verify with your doctor that you need medical assistance at home and assess how much help you need.

If you already qualify for IHSS, your Medi-Cal share of cost also applies to these services. This means that your share of cost must be met before we will pay your IHSS provider in full. If you do not meet your share of cost in a month you receive IHSS, you may be responsible for paying your IHSS provider(s) an amount up to your share of cost. Contact your county eligibility worker to ask questions. You can find information about your local county office here: <https://dhcs.ca.gov/COL>