



# Understanding Asset Limits: What You Need to Know

*As of January 1, 2026, Medi-Cal is changing eligibility rules for certain groups of people.  
Impacted groups will have to meet asset limits to qualify for Medi-Cal.*

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## What's changing?

Starting January 1, 2026, California will be limiting the amount of assets certain people can have and still be eligible for Medi-Cal.

## Does this apply to me?

The asset limit only applies to people who are getting or applying for "Non-MAGI Medi-Cal," which includes: Older adults age 65 or over, people with disabilities, and people who need long term care. For now, the asset limits do not apply to people in the Pickle, Disabled Adult Child, and Disabled Widow/ers programs.

## How much can I have in assets?

An individual can have up to \$130,000 and a couple \$195,000 in "countable" assets, with an additional \$65,000 per person in your household, up to ten people total. Not everyone in your home counts toward your family size; for example, adult children living with you are not included. Also, some married couples or registered domestic partners may qualify for higher limits.

## What assets count?

Assets that count ("countable assets") include bank accounts, cash, second vehicles, boats, second homes, and other financial resources, no matter where they are. You can see a complete list of countable assets here: <https://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/MC007-ENG.pdf>

## What assets do not count?

Assets that do not count towards the limit include the home where you live, the vehicle

you use most for transportation, household items like furniture and clothes, and retirement funds if you are getting regular payments from them.

## Important Dates

### If You're Applying for Medi-Cal:

- **Before January 1, 2026:** Your assets won't be counted, even if your application isn't approved until after January 1, 2026.
- **On or after January 1, 2026:** You'll need to report your assets and provide proof (like bank statements) when you apply for Medi-Cal.

### If You Already Have Medi-Cal

- The new rules will apply to you at whichever time comes first:
  - Your next annual renewal for Medi-Cal;
  - OR
  - When you report a change to Medi-Cal.

## What if I have too many assets?

If your assets are worth more than the limit **and you do not need long-term care**, you can spend down or give away countable assets to get and stay under the limit. There is no restriction on what you can do with your assets. The county refers to this as "spend down."

## What if I need long-term care and I have too many assets?

If you need **long-term care** now or in the future and you transfer assets for less than their value in order to get or keep Medi-Cal, a "look back" period can apply to you, and you may not be eligible for long-term care coverage for up to 30

months. If you are currently receiving Medi-Cal, or plan on applying for Medi-Cal, you can spend down your assets without penalty or “look back,” **if you do it by the end of 2025.**

## What if my spouse needs long-term care but I don’t? Is there an exception?

Yes! If one spouse or registered domestic partner needs skilled nursing services in a facility or at home and the other does not, the spouse not requiring care can have assets up to the Community Spouse Resource Allowance, and the spouse who needs care can still get Medi-Cal. The amount in 2025 is \$157,920 and may increase slightly every year.

## How can I avoid worrying about the “look back period?”

If you need long-term care, you can spend down your assets and avoid the “look back” period by:

- Paying debt, or household or medical bills;
- Buying clothes or household items;
- Paying for school;
- Fixing your home;
- Paying for in-home care;
- Giving assets to your blind or disabled child.

## What if I gave away assets when there wasn’t a limit? Do I have to worry about “look back”?

There is no “look back” from January 1, 2024 through December 31, 2025. Transfers made on or after January 1, 2026, may be subject to a look back period that makes you ineligible for long-term care coverage for up to 30 months, depending on the value of the asset and when you made the transfer. The rules on how long you are ineligible are complicated. Call us. We may be able to help.

## What if the County says I am ineligible for a period of time?

If the county tells you that you have a “period of ineligibility” for long-term care you can appeal the decision at a State Fair Hearing. You can try to prove that the “look back period” should not apply to you because you spent down your assets properly. You can also show that you should remain eligible because of “undue hardship” and you should therefore be eligible for Medi-Cal. You can show undue hardship by proving any of the following:

- That not receiving Medi-Cal funded nursing facility or home and community-based services would endanger your life or health;
- That you will be evicted from your nursing home without Medi-Cal coverage;
- That you are only able to get nursing facility or home and community-based services with Medi-Cal;
- That you would be unable to remain at home or in the community, and would be forced into an institution without Medi-Cal;
- That you’d be deprived of food, clothing, shelter, or other necessities of life.

## What should I do?

**Spend down** or give away countable assets above the limit **before** the law changes January 1, 2026 if you want to keep or get Medi-Cal.

**Keep records** of your bank accounts, property, and other assets, and what you did with assets you transferred.

**Report changes** to your county office whenever your situation changes.

**Ask questions** if you’re unsure whether this applies to you.

## What if I have more questions?

You can contact the Health Consumer Alliance for free information about Medi-Cal eligibility. Call us at 1-888-804-3536 or visit [www.HealthConsumer.org](http://www.HealthConsumer.org).