Chapter Six

UNDERSTANDING MEDI-CAL

Medi-Cal Defined

Medi-Cal is California's version of the federal Medicaid program that provides access to health care and long-term care for persons who are very low-income or otherwise relatively poor and have no other way to pay for such care. It is paid for by a combination of state and federal general funds and consists of several separate programs, including the traditional programs established under Title XIX of the Social Security Act and new programs established under the Affordable Care Act. All of California's Medi-Cal programs are administered by the state's Department of Health Care Services (DHCS). Most Californians who need financial assistance in paying for their long-term care qualify under one of the traditional Medi-Cal programs discussed in this chapter.

The Law

As mentioned at the beginning of this chapter, Medi-Cal is California's version of the federal Medicaid program. The basis of the modern day federal Medicaid laws is contained in the Medicare Catastrophic Coverage Act of 1988 (MCCA). Although California officially did not change its laws to adopt the MCCA rules for Medi-Cal, in January 1990 the Director of the Department of Health Services (the previous name of DHCS) issued two All County Letters, 90-01 and 90-02, setting out the Medicaid rules contained in MCCA and directing the counties to begin applying the rules to all new applications for Medi-Cal benefits, on a temporary basis, effective immediately. Although the directives contained in those 1990 All County Letters were supposed to be temporary, today (twenty-seven (27) years later!), they are still the operative Medi-Cal rules used in California.

The federal Medicaid rules were quickly recognized as flawed in that they allowed individuals to fairly easily transfer assets to protect them and qualify for benefits. So, in 1993, as part of its Omnibus Budget Reconciliation Act (OBRA 93) that year, Congress changed some of the Medicaid rules set out in MCCA. These changes were intended to close the loop-holes that individuals were using to protect their assets and qualify for Medicaid benefits across the country. The loop-holes mostly centered on the rules pertaining to making gifts of countable assets and were supposed to make it harder to do long-term care asset protection planning (which will be talked about in chapter fourteen of this book). California mostly ignored OBRA 93 and never adopted the rule changes set out in it other than for some rules having to do with the treatment of trusts.

Despite the changes to the federal Medicaid program, it continued to be under-funded and over-burdened throughout the nation. So, on February 8, 2006, President George W. Bush signed the Deficit Reduction Act of 2005 (DRA) making even more changes to further tighten the Medicaid

laws. The DRA rule changes have made it almost impossible for individuals to protect their assets in a crisis and qualify for Medicaid benefits to pay for their long-term care. Under great pressure from the federal government to adopt the changes set out in OBRA 93 and in the DRA, and recognizing the burden long-term care Medi-Cal was on the California budget, in 2008 the California legislature and governor passed new Medi-Cal laws for our state that, when implemented, will bring us into compliance with the federal Medicaid laws. However, in order for DHCS, as the the regulatory agency that operates the Medi-Cal program, to implement these new laws, it must first promulgate and properly adopt new regulations.

In September 2012, DHCS issued for public comment a draft of some of the new regulations to implement the new Medi-Cal laws passed in 2008. However, it has not yet issued revisions of those first draft regulations for further public comment or announced when the final regulations are expected to be issued. So, as of the writing of this chapter (January 2017), it is unknown what the final version of the new regulations will contain and when they may be adopted and become effective. While we wait, DHCS has stipulated as part of the settlement of a law suit, that the new regulations, whenever they are finally adopted, will be implemented only prospectively; that is, they will not be applied retroactively to transactions made prior to the adoption of the new regulations.

The Medi-Cal rules described in this chapter are the current rules being used in California. Some mention of the rules as they will be after DRA becomes the operative law here is included. However, as it is uncertain when and what rules will change, the reader is strongly advised to not rely on the rules in this chapter but to consult a knowledgeable and experienced elder law attorney for guidance in planning for Medi-Cal.

Medi-Cal Long-Term Care Program

The Medi-Cal program primarily used to pay for long-term care in California is the ***Medi-Cal Long-Term Care Program*** **(SNF LTC)**. This program helps pay for the long-term care of all qualifying individuals who are in a subacute or skilled nursing facility (SNF).

QUALIFICATION RULES

In order to qualify for the *Medi-Cal SNF LTC Program,* the individual who is applying for benefits must be "medically needy;" that is, he or she must need the level of care provided by a SNF, as determined by his or her physician. The individual must also either be aged 65 or older or permanently and totally disabled. Finally, the individual must be "financially needy," that is he or she has less than $2,000 if a single person or $3,000 if a couple (married or registered domestic partners BOTH in a SNF) of *countable* assets.

In addition to the amount of countable assets an individual who is in a SNF can have, his or her well spouse or domestic partner may have an additional $120,900 (in 2017) in *countable* assets. [Hereafter, to make writing and reading this chapter easier, the term "spouse" will refer both to

someone to whom the individual is legally married and someone to whom the individual is legally registered to as a domestic partner.] In addition to the amount of countable assets allowed to the individual and his/her spouse, they can jointly or separately own any amount of assets that are classified by Medi-Cal as *exempt*. The typical *exempt* assets include the following, although this is not an exhaustive list:

Home: The individual's home is exempt (i.e. not counted) if it is the individual's principal residence and the individual expresses an "intent to return home" by checking the appropriate box on the Medi-Cal application form. The "intent to return home" is a subjective test rather than an objective test based on any criteria, such as a medical probability. As long as the individual would go home if he/she ever could, that is sufficient. The home is also exempt if the individual's spouse (or registered domestic partner), minor child, or blind or disable child lives in the home. Although the home is usually single family real property residence, it could instead be a mobile home or anything else (even a car) that is used as the principal residence. In addition, an entire multi-unit building in which the one unit is held for the individual to occupy as his/her principal residence or which is occupied by the individual's spouse or minor, blind, or disabled child, as his/her principal residence, will qualify as the exempt home.

There is usually no problem in confirming the home as an exempt asset for Medi-Cal qualification purposes. However, the individual and his/her family need to understand that, although the home was exempt for Medi-Cal eligibility proposes, if the home remains in the individual's name and it is sold, the proceeds from the sale will not be exempt for continuing eligibility purposes, unless used within two months to purchase another home. The reader should consult with an estate planning or elder law attorney before transferring title to the home out of the individual's name as there are tax implications and other complications involved with transferring it, even to a spouse. Often, an irrevocable trust can be used to hold title to the home, to avoid counting the proceeds and avoiding most of the disadvantages of taking the individual's name off of the title.

Cars: One vehicle (car, truck, motor home, boat, etc.), no matter the value, will be exempt for Medi-Cal qualification purposes. Any additional vehicles are given a value by Medi-Cal, which is counted.

Household and Personal Effects: The individual's and his/her spouse (or registered domestic partner)'s personal property items, including the household furnishings and their personal effects are exempt from qualification. Although there are rules for counting some jewelry, if there is well spouse living, all of the jewelry is exempt.

Burial Plots and Prepaid Burial/Cremation Contracts: Burial plots/crypts are exempt assets. However, prepaid burial or cremation contracts are only exempt if they are either irrevocable (i.e. non-refundable) or had a death benefit of no more than $1,500 when purchased. It is strongly suggested that anyone spending down or gifting away assets to qualify for Medi-Cal SNF LTC benefits, purchase a burial plot and/or an irrevocable prepaid burial/cremation contract for the individual and his or her spouse before depleting all of the individual's and spouse's assets.

Life Insurance: The value of whole-life, universal-life or similar insurance policy will be exempt if the combined original death benefit on all of the policies owned by the individual (or spouse) was $1500 or less. Accumulated dividends paid on the policies that increase the death benefit of such policies are not counted. Term-life insurance, while not an exempt asset, has no cash value, so is not counted for qualification purposes.

Retirement Plans: IRAs (all types), 401(k) plans, 403(b) plans, and other tax-qualified retirement plans may be exempt for Medi-Cal qualification purposes. Such retirement plans titled in the name of the individual's well spouse are always exempt. However, such retirement plans titled in the name of the individual who is the applicant for Medi-Cal benefits, must be paying out some amount of interest and principal on a periodic basis. For individuals who are over 70 ½ years of age and thus required by the tax rules to take Required Minimum Distributions from his/her retirement plans, the payments required by Medi-Cal may be based on the total of all plans and paid from any of the plans rather than from each individual plan. Also, it is important to understand that any withdrawals from the accounts will be included in the individual's or his/her spouse's income in determining the individual's Share-of-Cost (discussed below).

Annuities: The rules regarding annuities are very complex. In general, work related annuities are a retirement plan and, thus, are exempt for Medi-Cal eligibility purposes. Annuities (and similar investments) that are not work related must meet certain criteria, one of which is that they be structured so that the annuitant receives level periodic payments of interest and principal which are to last no farther than the longer of the annuitant's actual lifetime or expected lifetime determined according to the actuarial tables as of the date the annuity was purchased. Annuities that have a death benefit after the death of the annuitant will be subject to recovery by Medi-Cal when the Medi-Cal recipient dies. Also, the periodic payments from the annuity will be included as income in the calculation of the individual's Share-of-Cost. It is strongly suggested that the individual and/or his or her family consult an experienced elder law attorney regarding the treatment of annuities if they are contemplating purchasing one as part of their planning to qualify for Medi-Cal SNF LTC benefits.

COMMUNITY SPOUSE RESOURCE ALLOWANCE

In addition to the $2,000 in countable assets that the ill individual who is on or applying for Medi-Cal SNF LTC benefits can own, his or her well spouse may own an additional amount of countable assets. These assets must be set aside for the well spouse and designated as the well spouse's Community Spouse Resource Allowance (CSRA). The amount of the CSRA increases each year based on the cost of living adjustment used for Social Security. The CSRA for 2017 is $120,900.

The CSRA may be increased by a court order under certain circumstances. The individual and/or the well spouse should consult an experienced elder law attorney to determine if an increase in the CSRA would be possible and advisable in the particular case.

Title to the specific assets that are designated as part of the well spouse's CSRA must ordinarily be transferred out of the ill-spouse's name within ninety (90) days after the ill-spouse is

determined to be qualified for Medi-Cal benefits. However, in a case where the ill-spouse lacks capacity (i.e. is mentally incompetent) to transfer the assets out of his or her name and no one has the ability and legal authority to remove the ill-spouse's name from title on the assets that comprise the CSRA, Medi-Cal cannot enforce its requirement that the ill spouse's name be removed from title on the assets in the CSRA.

PRENUPTIAL AGREEMENTS

For second marriages, you might think that the above rules do not apply. You might be thinking, "What's mine is mine, what's his is his. They won't touch MY money for HIS long-term care, right?" Wrong! Prenuptial agreements hold no weight when it comes to Medi-Cal. When two people are married, their assets become marital property regardless of the community property and separate property rules of our state. So even if Nancy has $1 million dollars, and Robert has $5,000 dollars, it does not really matter. Neither of them will qualify for Medi-Cal to help pay for his or her care until they go through the spend-down process with their combined assets.

SHARE-OF-COST RULES

Anyone on the Medi-Cal SNF LTC Program is required to pay a monthly co-payment toward the cost of his/her care in the SNF. This co-payment is called your "Share-of-Cost." The amount of the Share-of-Cost does not change the total amount that the SNF receives for your care on Medi-Cal; it just determines how much of it you pay.

In the past, the more an individual paid as his or her Share-of-Cost, the less that the state had to pay and, thus, the smaller the Estate Recovery Claim (discussed below) would be. However, the state of California is now experimenting with using managed care systems to provide for care to individuals on Medi-Cal. This means that if you are on a Medi-Cal managed care program, the Share-of- Cost you pay to the SNF will reduce the amount that the managed care provider pays to the SNF, but it does not reduce the amount the state pays to the managed care provider. This could have a huge effect on the state's recovery claim against your estate!

Your Share-of-Cost is calculated based on your total gross income from all sources received each month and certain deductions allowed by Medi-Cal. Careful! These "deductions" are NOT the same as deductions as for income tax purposes. In most cases, the Share-of-Cost deductions will be a $35 individual income allowance and any unreimbursed medical expenses that you pay. Since most of your medical expenses will be covered by Medi-Cal (once you are eligible), your only unreimbursed medical expenses may be your health insurance premiums.

In addition, if you are married, your well spouse may be entitled to a monthly spousal income allowance that is deducted from your income. The amount of the spousal income allowance in a particular case will be the dollar amount necessary to bring the well spouse's own total gross income up to the Minimum Monthly Maintenance Needs Allowance (MMMNA) amount set by Medi-Cal for that year. The MMMNA for 2017 is $3,023 per month. If your well spouse's own

income is greater than the MMMNA amount, the he or she will not be entitled to any part of your income. However, your well spouse's income will never be included in the amount of your Share-of-Cost.

Like the CSRA, the income allowed to a well spouse can be increased by a court order if the circumstances warrant such an increase. An experienced elder law attorney can advise you and your family about the potential for getting a court order increasing the income allowance for your well spouse. Of course, an increase in the spousal income allowance will mean more of your and your spouse's combined income will be kept and available to your spouse to pay his or her living expenses, including perhaps his or her care in a RCFE.

If you have income from rental property, Medi-Cal allows a deduction from the gross rent from that property of the following expenses for the property: insurance, taxes, utilities, interest on mortgage (but not the principle), actual maintenance/repairs, and up to 15% for management/general upkeep. The remaining income from the rental is included as part of your income for calculating your Share-of-Cost. This rule can be important to your family as the expenses of maintaining your residence or former residence, are NOT deductible from your income in calculating your Share-of-Cost. Therefore, if the family needs help paying the expenses for your home while you are in the skilled nursing facility, they could consider renting it out to generate rental income. This can work as long as you could still return home with notice to you tenants to vacate.

Reverse Mortgages and Medi-Cal

Reverse mortgages do not affect Medicare (including Medicare Part D) or Social Security income. However, the proceeds from a reverse mortgage CAN affect local income-based programs, including the big one—Medi-Cal. The first thing to remember is that aging adults should answer a lot of questions regarding their plans for the cash flow or lump sum received from a reverse mortgage:

- Are they already in poor health?
- Do they intend to "gift" the money away to relatives?
- Are they using the money to pay for in-home care?
- Do they have long-term care insurance already?
- Are they planning on applying for Medi-Cal anytime soon?

If the answer to any of these questions is yes, they would be well advised to consult an elder law attorney who understands all aspects of Reverse Mortgages and Medi-Cal to evaluate their situation. An aging adult may also be wise to consider having a son, daughter or other advocate accompany them when consulting an attorney.

The bottom line is that if someone needs to be on Medi-Cal soon, or is already there, then "gifting" and additional cash sitting in their checking accounts or savings accounts can knock them out of eligibility quickly!

Excerpt from *Tax-Free Money for Long-term Care!* co-authored by Janis Carney, 2017

If you are thinking about taking the "lump sum" option available through a reverse mortgage, you might reconsider leaving the money in the line of credit instead. Then, whenever you make a withdrawal from the line of credit (to pay bills, buy a new appliance, fix the air conditioner or heater) you will be spending that money the same month that your withdrew it from the line of credit. Of course, you will need to keep receipts for service and goods purchased to prove that you didn't give the money away. However, if the cash you withdrew sits in your checking or savings account for more than 30 days, it could knock you out of eligibility for your Medi-Cal benefits.

If a senior decides that they want to receive the monthly check to increase their cash flow, they should make sure that they need the money every month to pay bills. If the checking account starts adding up, or if they are above the allowed amount of income because of the additional cash flow, they may be getting into trouble.

Do not assume that your family member knows the rules, because the rules are complicated and change regularly. Talk to someone who knows and studies these laws all of the time.

Mandatory Estate Recovery

One of the changes introduced by the 1993 OBRA rules that was adopted by California is mandatory Estate Recovery. These rules require that when an individual dies who was on Medi-Cal, the California Department of Health Care Services (DHCS) must seek recovery of the Medi-Cal expenditures from the estate of the deceased individual in certain circumstances. The state will seek recovery if the deceased individual was 55 or older when he or she received assistance or ever received assistance with the cost of long-term care in a skilled nursing facility.

So, although Medi-Cal helped with the cost of your care during life, at your death, the state may be entitled to be reimbursed from the estate you thought was going to go to your family for everything that was paid on your behalf under any of the Medi-Cal programs! The amount of the state's *Recovery Claim* is the *lesser of* the amount paid by Medi-Cal on behalf of the individual or the value of the individual's assets owned at death that are subject to a formal probate proceeding.

As mentioned above, if an individual is on a Medi-Cal managed care program, the Share-of-Cost he or she pays to the SNF will reduce the amount that the managed care provider pays to the SNF. However, it does not affect the amount that the state pays to the managed care provider. This is important because it is the amount the state pays to the managed care provider (not what the managed care provider pays to the SNF) that the state can recover for. So, there is a possibility that the amount you paid as your Share-of-Cost plus the amount your estate paid in an Estate Recovery Claim could total *more* than the full cost of your care in the SNF.

In order to learn exactly how much the state is paying on behalf of the individual on any of the Medi-Cal programs, and to project the estate from the amount that may be owed in an Estate

Recovery Claim, a request for information from DHCS can be made once a year while the individual is living by submitting a form *DHCS 4017 Request for Medi-Cal Expenses Subject to Estate Recovery*, and paying a processing fee of $5, to the Estate Recovery Claim Unit. This is another area where it may be prudent to consult with an experienced elder law attorney to make sure that your family is protected from an excessive and possibly avoidable Estate Recovery Claim.

If the individual who was on Medi-Cal dies leaving a surviving spouse or registered domestic partner, the Estate Recovery Claim will be barred for all time if the individual or the surviving spouse or registered domestic partner died on or after January 1, 2017. In addition, an Estate Recovery Claim is barred no matter when the individual died if he left a surviving minor, blind or disabled child. However, it is NOT recommended that planning be done assuming that the Medi-Cal Estate Recovery Claim will be barred because of a surviving spouse or minor, blind, or disabled child as there is no guarantee that the spouse or child will the individual who is on Medi-Cal.

An enforcement of an Estate Recovery Claim may also be avoided if the estate is a homestead of modest value or the claim would result in a significant hardship. A homestead of modest value is defined as a home for which the fair market value is less than fifty-percent (50%) of the average price of homes in the county as of individual's date of death. The meaning of "significant hardship" unfortunately is not defined so clearly, so there is no guarantee that a hardship claim will be approved by Medi-Cal. Therefore, it is never a good idea to make filing a hardship claim part of a plan to avoid an Estate Recovery Claim where there are any other options available.

Within 90 days after the death of the individual who was on Medi-Cal, notice of the individual's death must be given, along with a copy of the individual's death certificate, to the DHCS Estate Recovery Unit in Sacramento. Note, it is NOT sufficient to just give this notice of death to the county Medi-Cal office. The address of the DHCS Estate Recovery Unit in Sacramento to which this notice and the death certificate must be sent is: Department of Health Care Services, Estate Recovery Section, MS 4720, P.O. Box 997425, Sacramento, CA 95899-7425.

Upon receipt of the notice of death and the death certificate, the DHCS Estate Recovery Unit normally will send the representative for the individual's estate, or the representative's attorney if so instructed, a form letter. This letter states the dollar amount of the recovery claim being made by the state. It also requests information about the decedent's estate, burial expenses that were paid, and who is inheriting the assets left in the estate. While it may be helpful to provide some of this information to DHCS, it is not all required. The estate representative should consult with an elder law attorney before giving any information to the DHCS Estate Recovery Unit to avoid making a potentially costly mistake.

Protecting Assets

"I'LL JUST GIVE IT ALL AWAY!"

When a person applies for Medi-Cal to pay for medical care, the application requires that any recent transfers (i.e. gifts) be disclosed. The current rule applies a *"penalty"* for any transfer of assets from the applicant and/or the applicant's spouse for less than fair market value during the 30 months (the *"look back period")* prior to applying for Medi-Cal. The penalty is a period of time based on the amount transferred that Medi-Cal will not pay for his or her skilled nursing home care from the time of the gift. If the assets were transferred from or to a "trust," the look-back period is twice as long, 60 months.

There are no exceptions as to why a gift was made or to whom it was made, except gifts to the individual's spouse, minor, or disabled or blind child. There is no exception for gifts to charity. There is no $14,000 per year exception like for gift taxes. All gifts made during the long-back period will be considered, other than those to the individual's spouse, minor, or disabled or blind child.

Individuals who want to make gifts in order to protect their assets in case they need long term care in California should seek the advice of an elder law attorney to learn how to make gifts without triggering the penalty period.

As mentioned above, the rules for Medi-Cal in California will change once DHCS promulgates new regulations and gets them approved. Under the new laws, the look back period for ALL gifts will be 60 months (5 years) and the penalty period for making a gift will begin when the individual applying for Medi-Cal is "otherwise eligible" for Medi-Cal, which means in need of care and, in essence, broke, and has no money to pay for his or her care!

Besides the potential penalty period, what else can go wrong in doing gifting?

DIVORCE

If Robert and Nancy had given $120,000 to their wonderful daughter Susan, for safe keeping 6 years prior to Robert's stroke, Robert would almost immediately be eligible for Medi-Cal.
But what if Susan's husband, Scott, decided that he wanted a divorce? Depending on what Susan had done with the money when she got it from her parents, half of the money may go to Scott in the divorce, leaving Susan with only $60,000 of her parent's money.

LAWSUITS

Susan has her parent's $120,000 in a bank account in her and her husband's names. Husband Scott is in a car accident, and the other party sues Scott for damages beyond what his insurance company will pay. The plaintiff's lawyer sees $120,000 sitting in their account. If he wins the case, they may lose it all!

REVOCABLE LIVING TRUSTS

Many people think that transferring assets to a revocable trust will protect them in case they need long-term care. Wrong, again! All assets held in your *revocable living trust* legally belong to you. This type of trust does nothing to protect the assets from being counted determining eligibility for Medi-Cal.

JOINT AND PAY-ON-DEATH ACCOUNTS

Putting your assets in joint tenancy with someone else or naming a beneficiary on the title of the assets do not protect them either for Medi-Cal eligibility purposes. While holding assets in either of these ways may avoid probate at your death, Medi-Cal will treat you as the owner of the asset, in whole or in part, for your Medi-Cal eligibility.

Medi-Cal Home & Community Based Waiver Programs

Medi-Cal also offers two *Home and Community Based Waiver Programs* (the Waiver Programs) that provide financial assistance for the long-term care of medically needy qualified individuals who do not want to be in a SNF. In order to qualify for these Waiver Programs, the individual must, at the time he or she applies for the Waiver Program, either be in a SNF on the SNF LTC Program, with no Share-of-Cost; or be living at home, in certain public subsidized housing units, or in a RCFE and either on the Medi-Cal *Aged and Disabled Federal Poverty Level Program* (A&D FPL), which pays for health care for low-income individuals, or receiving Supplemental Security Income, which categorically entitles him or her to Medi-Cal benefits (SSI/Medi-Cal). Individuals who qualify for the Waiver Programs will get financial assistance to help pay for the cost of their long-term care, but not for their room and board at home, in the public subsidized housing unit, or in a RCFE. Currently, individuals who are in a SNF on the SNF LTC Program have priority for the Waiver Programs. Individuals who are on the A&D FPL Program or are getting SSI/Medi-Cal are second in priority and may have a delay in getting onto one of the Waiver Programs.

To qualify for the A&D FPL Program or for SSI/Medi-Cal, an individual must be 65 or older, blind or otherwise permanently and totally disabled, show financial need just like the SNF LTC Program discussed above, and must also be "low-income". To be deemed low-income for A&D FPL, the individual may not have more than the federal poverty level of net income, which for 2017 is $1220/month for a single person and $1645/month for a couple. To qualify for SSI/Medi-Cal, an individual must not have more than a $1 less than the maximum SSI/SSP rate of income, which for individuals living independently is currently $895.72 for a single aged or disabled individual, $1,510.17 for an aged or disabled couple, $952.23 for a single blind individual, and $1,661.19 for a blind couple. For a single individual living in a RCFE, the maximum amount is $1 less than $1,158. As with the SNF LTC Program, in order for the individual on A&D FPL or SSI/Medi-Cal to qualify for one of the Waiver Programs, he or she must have a physician determine that he or she medically needs long-term care. Unlike the SNF LTC Program, there are currently no restrictions on transferring assets to qualify for the A&D FPL Program. There are, however, restrictions and penalties for transferring assets to qualify for the SSI/Medi-Cal program.

Long-Term Care Insurance Partnership Policies

In order to induce Californian's to buy long-term care insurance and help them identify quality policies, California created a program that set up an innovative "Partnership" between the state and the DHCS, in cooperation with certain selected insurance companies. The Partnership program allows Californians to purchase special Long-Term Care Insurance (LTCI) Partnership policies that meet the requirements set by the Partnership and the State of California.

The Partnership policies help to protect the state's Medi-Cal budget by requiring that the benefits of these policies be paid before Medi-Cal benefits can be accessed. The consumer benefits from these new Partnership policies as they allow the consumer to protect a portion of his or her assets equal to the amount of the proceeds from the Partnership policy, which would otherwise need to spent down prior to qualifying for Medi-Cal coverage— ensuring that more of the funds accumulated for retirement will be protected for the individual's spouse and/or other family.