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March 28, 2021

Honorable Jim Wood
Chair, Health Committee
California State Assembly
Capitol Building, Room 6005
Sacramento, CA 95814

RE: AB 470 (Carrillo) as amended March 18, 2021 – SUPPORT

Dear Assembly Member Wood:

Disability Rights California (DRC), a non-profit advocacy organization that advances and protects the rights of Californians with disabilities, supports AB 470 to eliminate the asset limit for Medi-Cal programs serving seniors and persons with disabilities, who are most at risk of COVID-19. This bill is scheduled to be heard before the Assembly Health Committee on April 6, 2021.

Increased access to Medi-Cal and health care services allows people to maintain financial stability while ensuring access to affordable health care, which is critical especially during a pandemic. Eliminating the Medi-Cal asset test also ends its disproportionate harm against people of color as they are more likely to have cash savings instead of exempt assets like a home.

Currently, a senior or person with disabilities enrolled in a non-MAGI Medi-Cal program is restricted to \$2,000 in a bank account and a couple to \$3,000. Other Medi-Cal beneficiaries, such as those under age 65, have no asset limit following the implementation of the Affordable Care Act. When faced with the decision of qualifying for Medi-Cal or having additional savings, most individuals rationally spend down their savings as the cost of

their health care is more than they have saved. This puts seniors and people with disabilities at risk of further instability or homelessness when financial crises happen and prevents them from having adequate resources to weather a crisis such as an eviction, a leaking roof, or a major vehicle repair.

AB 470 completely eliminates the asset test for both initial Medi-Cal applications and for redeterminations. The elimination of the asset test in public programs reflects a shift away from requiring low-income people to deplete all their resources prior to receiving help. Extending this policy to older Californians and persons with disabilities aligns with this shift as well as creating parity between Medi-Cal programs. Additionally, eliminating the asset limit will simplify the administration of the Medi-Cal program by reducing application and renewal barriers that force people to document their financial accounts and property every year.

Disability Rights California respectfully asks for your support of this important legislation to provide equity and stability for low-income seniors and persons with disabilities who are subject to the asset test.

Please contact me if you have any questions about our position or if I can provide any further information.

Sincerely,

A handwritten signature in black ink that reads "Sawait Seyoum". The signature is written in a cursive, flowing style.

Sawait Seyoum
Senior Legislative Advocate
Disability Rights California

cc: Honorable Members, Assembly Health Committee
Honorable Wendy Carrillo, California State Assembly
Estefani Avila, Legislative Aide, Office of Assembly Member Carrillo
Gino Folchi, Consultant, Assembly Republican Caucus