



# Protecting Your Home & Savings from CA Nursing Home Costs

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# California Nursing Home Costs Are Rising

## **PLANNING FOR LONG TERM CARE WITH MEDI-CAL**

Nursing home care in California can cost upwards of \$8,000 per month. Without a plan, families are often forced to spend down a lifetime of savings just to qualify for Medi-Cal.

Proactive legal strategies are available to help protect your home, your assets, and your family's future.



# 2026 ELIGIBILITY & EXEMPTION CHANGES

Beginning January 1, 2026, California has reinstated the asset test for Long Term Care Medi-Cal eligibility. The asset eligibility tests will return as they existed in 2022.

This change is not limited to new applicants - it also affects people currently receiving LTC Medi-Cal benefits who qualified under the previous rules with no asset limits.

Those who exceed the new asset limits will lose their current Medi-Cal eligibility, and Medi-Cal will no longer pay for their nursing home costs.

# 2026 ASSET TEST RESET

Scenario	2026 Asset Limit
Unmarried Individual	\$130k
Spouse in Nursing Home	\$130k
Spouse at Home (CSRA)	\$162k

## EXEMPT ASSETS

- Primary Residence (Any Value)
- One Vehicle (Any Value)
- Furniture & Personal Effects
- Burial Plots & Funeral Funds
- IRAs in Payout Mode
- Business Assets



# PROTECTION & PLANNING

## AVOIDING MEDI-CAL RECOVERY

After death, Medi-Cal may attempt to recover costs paid for long-term care. Recovery is generally limited to assets that pass through probate. Assets held in a properly structured living trust are typically protected.

## IMPORTANT RULES & PENALTIES

Transferring assets improperly can result in a penalty period where Medi-Cal will not pay for care. These penalty periods can create gaps in coverage and significant out-of-pocket expenses.

# PLAN FOR LONG TERM CARE (LTC)

A preservation plan put in place now ensures eligibility and prevents recovery claims after death.

## CONSEQUENCES OF NOT PLANNING

- Transfer penalties and periods of ineligibility
- Delays in Medi-Cal coverage
- Higher out-of-pocket nursing home costs
- Potential Medi-Cal recovery claims against your estate
- Loss of asset protection for your family

# ASSETS THAT MAY COUNT AGAINST YOUR MEDI-CAL ELIGIBILITY

## 2026 ASSET LIST

Cash and Savings Accounts

Investment Accounts

Additional Real Estate (Rental Property often not exempt)

Life Insurance w/ Cash Value (over \$1,500)

Jewelry (limits may apply)

# INDIVIDUALS WHO SHOULD PLAN

CURRENTLY IN A  
NURSING HOME AND  
COVERED BY LTC MEDI-  
CAL

DIAGNOSED WITH  
DEGENERATIVE  
DISEASES THAT MAY  
REQUIRE LTC

CONCERNED THAT A  
STROKE OR DISABILITY  
COULD DEplete THEIR  
ASSETS

HAVE AN OUTDATED  
EXISTING MEDI-CAL  
ASSET PRESERVATION  
PLAN

INTERESTED IN  
PRESERVING THEIR  
CHILDREN'S  
INHERITANCE

MARRIED COUPLES  
WHO WANT TO  
PROTECT THEIR  
FINANCIAL SECURITY

## GETTING STARTED WITH OUR FIRM

Since 1985, Staker | Rodriguez Law LLP has been helping California families with comprehensive estate planning, trust administration, and Medi-Cal planning.

Our experienced attorneys understand the complexities of long-term care planning and can help you navigate the 2026 changes.

Call us today to determine if the law changes will affect you. We will explain what is necessary to put a Medi-Cal Asset Preservation Plan in place.



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