

Q. What is SB 483?

A. **SB 483*** is a law passed by the State of California in September 2008 that limits the amount of equity individuals can have in their principal residence when they receive medical assistance for home and facility care services under the *Medi-Cal* program as set forth in the Deficit Reduction Act of 2005**. However UNLIKE DRA 2005, the State of California made a special exemption that allows you to keep your home and assets if you have a *California Partnership for Long-Term Care* policy.

“The Federal Government has taken steps to promote the use of Long-Term Care Partnership Program, a public-private partnership between states and private insurance companies is one such example”- Barack Obama, March 29, 2007

Q. What is SB 483’s Impact on My Financial Security?

A. **SB 483** changes the rules in California and for the first time, directly impacts your principal residence. It disqualifies homeowners from *Medi-Cal* services when the applicant’s home equity exceeds \$750,000. In addition, the bill increases the look back period for transfer of asset from 30 months to 60 months and shifts the penalty for transfer of assets from the date of the transfer to the date of application for *Medi-Cal* services. This delays eligibility for an additional period of time.

Q: How is the City Responding to This?

A: To assist retirees and their beneficiaries, the *Department of Retirement Services* is offering policies from the *California Partnership for Long-Term Care*. As provided under **SB 483**, *Partnership* policyholders who use insurance benefits under their policies are provided complete protection from the new equity limits.

Q. What is the Partnership for Long-Term Care?



The California Partnership for Long-Term Care (Partnership) is dedicated to educating Californians on the need to plan ahead for their future Long-Term Care and to consider private insurance as a vehicle to fund that care. *The California Partnership for Long-Term Care* is an innovative program of the State of California, *Department of Health Care Services* in

cooperation with a select number of private insurance companies. These companies have agreed to offer high quality policies that must meet stringent requirements set by the *Partnership* and the State of California. These special policies are commonly called "*Partnership* policies". *Partnership* policies take the guesswork out of ensuring you purchase a quality policy. In addition to many other consumer protection features, *Partnership* policies offer the special benefit of Medi-Cal Asset Protection. (From the DHCS website: <http://www.dhcs.ca.gov/SERVICES/LTC/Pages/CPLTC.aspx>)

Special Discount: Effective August 1, 2009, the City now offers a *Partnership* Policy, which is underwritten by *MetLife* and includes a special group discount for City of San José.

To Receive More Information, Call 1-888-452-5788

Here Are Additional Links for You to Stay Informed About SB 483:

- ***The Actual Law (SB 483):**http://www.leginfo.ca.gov/pub/07-08/bill/sen/sb_0451-0500/sb_483_bill_20080927_chaptered.pdf
- ****DRA 2005:** http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_cong_bills&docid=f:s1932enr.txt.pdf
- **Asset Protection: A Special Benefit Created for Californians:** http://www.dhcs.ca.gov/services/ltc/Documents/Asset_Brochure.pdf
- **Department of Health Care Services:** <http://www.dhcs.ca.gov/SERVICES/LTC/Pages/CPLTC.aspx>