STAKER RODRIGUEZ
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Protecting Your Home & Savings from CA Nursing Home Costs

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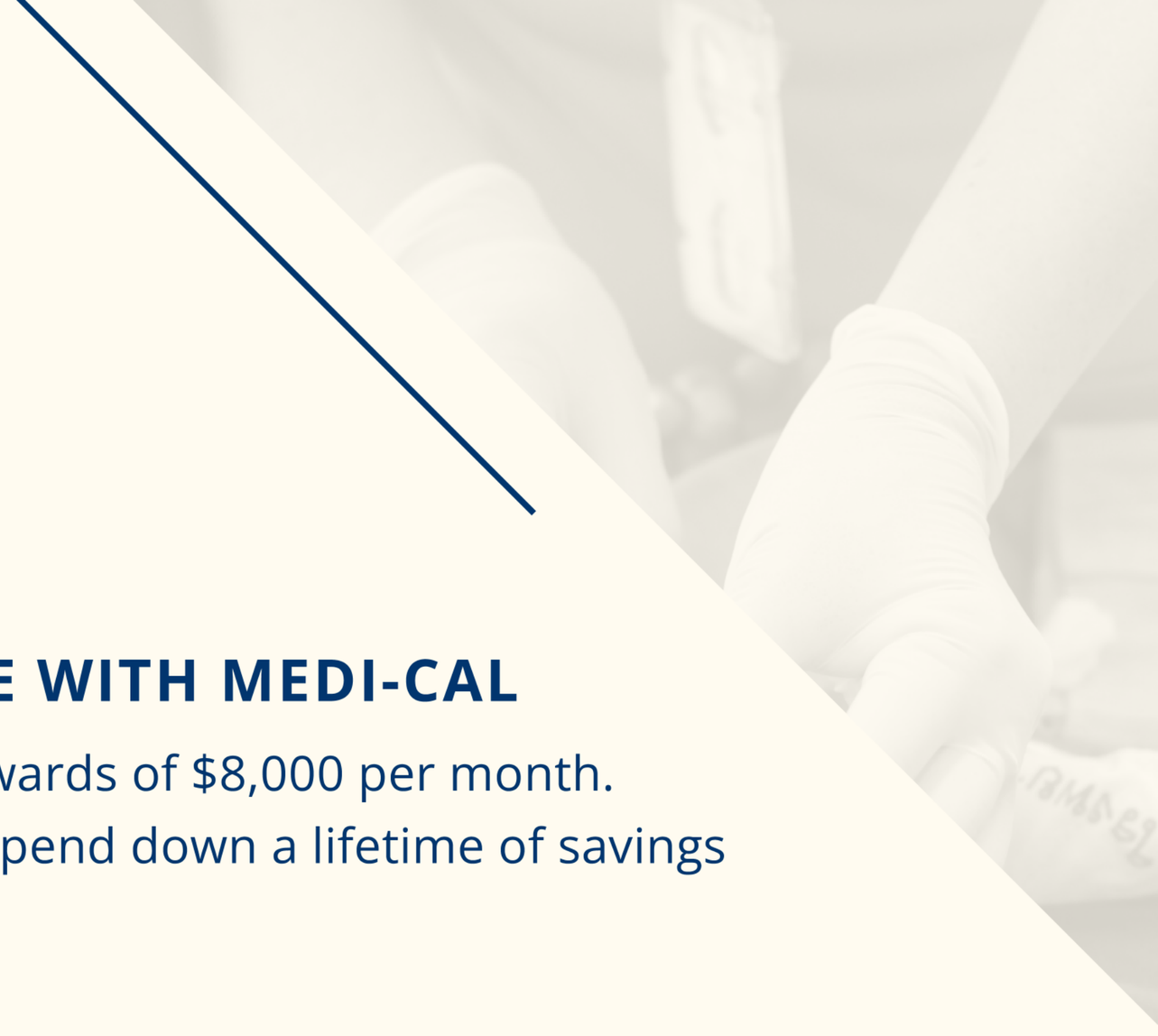
California Nursing Home Costs Are Rising



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

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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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