Accessing Medi-Cal for Children through 1915(c) Waivers

By Elizabeth Zirker

Introduction

Medi-Cal 1915(c) Waivers provide services to people with disabilities, including children, who would otherwise need care in an institution. Medi-Cal Waivers offer services that are not available under the traditional Medi-Cal program.[1] In addition to Waiver services, Medi-Cal Waivers provide a Medi-Cal eligibility pathway for some children who are otherwise not income eligible. There are three Medi-Cal 1915(c) Waivers in California that serve children: [2]

Waiver	Population Served
Home and Community-Based Alternatives Waiver (HCBA)	Individuals of any age who meet a nursing facility or higher level of care[3]
Home and Community-Based Services-Developmental Disability (HCBS-DD)	Regional Center consumers of any age who meet an intermediate care facility level of care[4]
Self Determination Program (SDP) waiver	Regional Center consumers of any age who meet an intermediate care facility level of care

Many families in California access full-scope Medi-Cal for their child through these Waivers based on "institutional deeming," which is an eligibility rule that allows Medi-Cal to treat a child as if they are in an institution, so parents' income and resources are not considered in the child's financial eligibility.[5] In this way, medically complex children and children with Intellectual and Developmental Disabilities (I/DD) can get Medi-Cal services which are not available through commercial insurance, such as private duty nursing services, respite services, habilitation services, and personal care services.[6]

This fact sheet will go over frequently asked questions about institutional deeming.[7] It is important to note that although institutional deeming ends once a child is an adult, there is no age limit for these waivers, and children do not have to disenroll when they become adults, even after institutional deeming no longer applies. Children who do not need institutional deeming because their family's income is within Medi-Cal limits can receive all Medi-Cal covered services, including waiver services.[8]

What is the difference between these three Waivers? [9]

The HCBA Waiver is administered by the Department of Health Care Services through contracted Waiver Agencies and serves people of any age with significant physical disabilities and medical complexity. To be eligible, individuals must meet a nursing-facility level of care or higher. People who benefit from the HCBA Waiver include medically complex children, adults with complex conditions, and people who are ventilator or technology dependent. Participants receive care management from a Waiver Agency, who coordinates Waiver and Medi-Cal State Plan services. Services include private duty nursing, home health aides, Waiver Personal Care Services (WPCS) respite care, family training, and minor physical adaptations to the home. The HCBA Waiver is a relatively small program that, for children, serves those with significant medical care needs. The HCBA Waiver has a significant waiting list, and there are priority populations for that wait list.[10]

The HCBS-DD Waiver, by contrast, is operated through the Department of Developmental Services and delivered through the 21 Regional Centers.[11] Only Regional Center consumers can be on the HCBS-DD Waiver, and individuals must meet an Intermediate Care Facility level of care.[12] The HCBS-DD Waiver funds the community supports Regional Centers arrange, such as respite, day programs, supported living, and behavioral services. The HCBS-DD Waiver does not pay for private duty nursing. Individuals cannot be enrolled in both waivers at once, and unlike HCBA, the DD Waiver has no waitlist.

The Self-Determination Program (SDP) Waiver is the other Waiver serving Regional Center consumers with developmental disabilities of any age. Through the SDP, participants have an individualized budget which is used to meet the goals in their Individual Program Plan (IPP). Participants develop a person-centered plan and individualized budget with their Regional Center.[13]

How do I apply for institutional deeming for my child through the HCBA Waiver?

Individuals must apply for the HCBA Waiver by submitting an application to the Waiver Agency that serves their geographic location.[14] To qualify for institutional deeming through the HCBA Waiver, a child must:[15]

- Need the type of care that a person receives in a nursing facility (although they do not have to be in a nursing facility);[16]
- Be under the age of 18 (upon turning 18-years old, applicants should apply for Medi-Cal directly);
- Have a valid Social Security Number; and

- Have too much family income/property to qualify for no cost Medi-Cal.[17]

Once the Waiver Agency determines that the child is eligible for the Waiver, the next step is to determine Medi-Cal eligibility. The Waiver agency notifies the county of the Waiver eligibility, and the county sends the child a Medi-Cal application.

How do I apply for institutional deeming for my child through the Regional Center Waiver?

Regional Centers have designated Medi-Cal/waiver staff who evaluate consumers for the HCBS-DD and Self Determination Waivers. If a child needs institutional deeming to access Medi-Cal, typically their Service Coordinator will refer them to the Medi-Cal/waiver staff to determine eligibility. Once they have done so, the Regional Center submits a form to the county.[18] The county then starts an application for the child by mailing a letter and an application packet to the parents to complete.

To qualify for institutional deeming through the HCBS-DD or Self Determination Program Waiver a child must:[19]

- Be a Regional Center Consumer under the age of 21;
- Have a valid Social Security Number;
- Have too much family income/property to qualify for no cost Medi-Cal
- Be eligible for Medi-Cal if they are in an institution (although they do not have to be in an institution) and/or meet the LOC criteria for the HCBS-DD Waiver.

Which Medi-Cal program is a child who is receiving institutional deeming enrolled in?

Normally, a child's Medi-Cal eligibility is evaluated according to the Medi-Cal hierarchy.[20] Federal law requires that individuals be evaluated for the many different types of Medi-Cal programs in a certain order. These programs can have different income limits. If a child is eligible for traditional Medi-Cal, they do not need institutional deeming.[21] If a child's family income and/or assets make them ineligible for Medi-Cal, institutional deeming rules will apply. When applying institutional deeming rules under the waiver, a child should first be assessed based on the income limits of the Aged and Disabled Federal Poverty Level (A&D FPL) program if their medical condition meets certain disability criteria.[22]

If their condition does not meet the disability requirement, they will then be reviewed under the income limits of the AFDC Medically Needy program.[23] All children who are eligible for the HCBA Waiver should be looked at using the income limits of the A&D FPL program because in

order to receive HCBA Waiver services they must have a significant disability.[24] Likewise, most children on either the HCBS-DD or Self Determination waivers have a disability that should qualify them for A&D FPL due to meeting Regional Center eligibility requirements. However, sometimes counties will place a child in the Medically Needy program and assign them a share of cost (SOC).[25] In this case, the child may need to go through the disability determination process in order to be placed in the more favorable A&D FPL program. This is discussed further below.

If a child has their own income or assets, can they still receive institutional deeming?[26]

Yes. The two most common sources of income for children on a waiver are derivative benefits (based on a parent's social security retirement disability, or death benefits) or child support. A child receiving institutional deeming through a waiver is in their own budget unit, and their income will be evaluated using the hierarchy described earlier.

Example

Curran receives $1700 per month of Title II Retirement Social Security Disability Insurance (RSDI) benefits based on her father's work record.[27] The A&D FPL program is the most beneficial program for Curran because $1700 is below the income limit for that program and she will not owe a share of cost.[28]

Example

Curran receives $2500 per month of Title II RSDI benefits based on her father's work record. She either needs to find an additional insurance program to purchase to get her income below the monthly limit of $1836 or spend down $1900 on qualified medical expenses as her share of cost to meet the maintenance need level of $600.[29]

Example

Curran receives $2100 in child support per month. This is their only income. Child support has special income counting rules. Child support income is countable income. For children with disabilities, one third of the child support payment is disregarded.[30] This means that Curran's countable income is $2100-$700=$1400. This is under the monthly limit of $1836, and Curran will not have a share of cost.

Does a child who is receiving institutional deeming need a disability determination?

Yes, for a few reasons. First, sometimes a child who is receiving institutional deeming and has no share of cost will start receiving income. If they do not have a disability determination and their income is more than $600, they will likely be assigned a share of cost unless the county determines that they meet the criteria for the A&D FPL Medi-Cal program.[31] In order to avoid a share of cost, families should apply for a disability determination for their child when they apply for a waiver. They can do this by contacting their county Medi-Cal office.[32] Second, when the child transitions to adulthood, they will need a disability determination to qualify for any of the Medi-Cal programs that have a disability linkage.[33]

When does Institutional Deeming End?

Institutional deeming can apply until a child turns 21, depending on the child's situation. An individual is a "child" for the purposes of Medi-Cal eligibility if:

- They are a disabled individual aged 18 through 20 and are living at home with their parents **and are** enrolled in school, college, university, or a course of vocational or technical training to prepare you for gainful employment; or
- They are 18 years of age or older but under 21 and their parents claim them as a dependent to receive a tax credit or deduction for state or federal income tax purposes.[34]

Individuals are **not** considered a child when any of the following are true:[35]

- They are a blind or disabled medically needy (MN) person who is 18 through 20 years of age, living in the home of a parent **and not** currently enrolled in school, college, university, or a course of vocational or technical training to prepare him/her for gainful employment.

- They are a person who is 18 through 20 years of age, who is not living in the home of a parent or caretaker relative, is not claimed as a tax dependent of his/her parent(s) and is not receiving out-of-home care from a public agency.
- You are a person 14 to 18 years of age who is not living in the home of a parent or caretaker relative and who does not have a parent, caretaker relative or legal guardian handling any of his/her financial affairs.

Example

Rosa is a 20-year-old who receives institutional deeming through the HCBS-DD Waiver. She is still considered a child because she enrolled in school and is living with her parents. Before she turns 21, she needs to apply for Medi-Cal for herself as an individual to continue to receive Medi-Cal services. After she qualifies for Medi-Cal in her own budget unit, she can continue to receive HCBS-DD Waiver services.

Can a child who is 18 through 20 and receiving institutional deeming be claimed as a tax dependent?

The individual aged 18 through 20 who expects to be claimed as a tax dependent by their parents will have their parents' income counted when determining income eligibility for Medi-Cal.[36] If they are receiving institutional deeming, that income will still be disregarded. However, at age 21, institutional deeming no longer applies **even** if a parent is claiming their child as a tax dependent. After a child becomes an adult for Medi-Cal purposes, a parent can continue to claim that child as their dependent on their taxes.[37] However, in some cases it may not be beneficial to continue to claim an adult child as a dependent after institutional deeming ends because it may impact the child's Medi-Cal eligibility.

Example

Sean is 17 years old and receives institutional deeming through the HCBA Waiver. Sean is being claimed by his parents as a tax dependent. Sean's parents start the SSI application process, and he begins receiving SSI a month before his 18th birthday. Once Sean is 18, because he is receiving SSI and is eligible for Medi-Cal through that pathway, he no longer needs institutional deeming. His parents can also continue to claim him as their dependent.

Example

Sean is 17 years old and receives institutional deeming through the HCBA Waiver. Sean is being claimed by his parents as a tax dependent. Sean's family does not want to apply for SSI for Sean. Sean can apply for Medi-Cal in his own MFBU once he turns 18. If Sean is eligible for Medi-Cal through a traditional Medi-Cal pathway like the Medically Needy or ABD FPL program, he will be able to access Medi-Cal. However, if he does not meet a traditional Medi-Cal program, he will be evaluated under Modified Adjusted Gross Income rules (MAGI) using his family's income ($200,000 for a family of three).[38] In that case, he will not be eligible for Medi-Cal, and it would be better for his parents to stop claiming him as a dependent so that their income is not included in his Medi-Cal eligibility evaluation.

What impact does claiming my child who is 21 or older as a tax dependent have on Medi-Cal eligibility?

An adult child who has SSI can receive Medi-Cal even if their parents claim them on their taxes, because SSI provides the Medi-Cal eligibility pathway. If an adult child does not receive SSI their eligibility will be evaluated using the Medi-Cal hierarchy.

Example

Sean is 20 years old and receives institutional deeming through the HCBA Waiver. Sean is being claimed by his parents as a tax dependent. Sean is getting the maximum number of IHSS hours, as well as 200 hours per month of WPCS. Sean is not receiving SSI and does not have a disability determination from the county. Sean's parents have a combined income of $200,000 and they are a family of three people. His parents want to continue to claim him as a tax dependent once he becomes an adult. At 21, Sean will be evaluated as an individual adult. If he qualifies for traditional Medi-Cal he can continue to receive the services he needs. If he does not qualify for traditional Medi-Cal and is evaluated under MAGI rules, because his parents claim him as a dependent the family will be considered one household, and their income will be too high for MAGI Medi-Cal.

For Sean to keep his Medi-Cal, his parents would need to stop claiming him as a tax dependent. In the alternative, Sean could obtain a disability determination to access eligibility under traditional Medi-Cal.[39]

ENDNOTES

[1] More information about these waivers is available on the California Department of Health Care Services and Department of Developmental Services websites. *See* Cal. Dep't Health Servs., Home and Community-Based Alternatives Waiver **https://www.dhcs.ca.gov/services/long-term-care-alternatives-home-and-community-based-service-options/home-and-community-based-alternatives-waiver-2/** (last visited July 29, 2026); Cal. Dep't Dev. Servs., Home and Community-Based Services Programs, **https://www.dds.ca.gov/initiatives/hcbs/** (last visited July 29, 2026).

[2] There are six 1915(c) Waivers in California. More information about Waivers is available at the California Department of Health Care Services website, "Medi-Cal Waivers" https://www.dhcs.ca.gov/services/medi-cal-waivers-2/ (last visited April 15, 2026).

[3] See Cal. Code Regs., tit. 22 § 51124, Skilled Nursing Facility Level of Care is defined as a "level of care needed by Medi-Cal beneficiaries who do not require the full range of health care services provided in a hospital as hospital acute care or hospital extended care, but who require the continuous availability of skilled nursing care provided by licensed registered or vocational nurses, or the equivalent thereof, as set forth in Section 51215."

[4] See Cal. Code Regs., tit. 22 § 51334, Intermediate Care Facility level of care: "[i]ndividual has medical condition which needs an out-of-home protective living arrangement with 24-hour supervision and skilled nursing care or observation on an ongoing intermittent basis to abate health deterioration. Intermediate care services emphasize care aimed at preventing or delaying acute episodes of physical or mental illness and encouragement of individual patient independence to the extent of [their] ability."

[5] 42 U.S.C. § 1396n(c)(3), waiving section 1902(a)(10)(C)(i)(III) (relating to income and resource rules applicable in the community).

[6] Many commercial insurance plans do offer private duty nursing, however the number of hours is capped and typically does not meet the needs of a medically complex child.

[7] This factsheet will not cover spousal impoverishment, which is another eligibility pathway for married individuals or individuals in domestic partnerships. *See* Cal. Dep't Health Servs., All County Welfare Director's Letter No. 26-02, *2026 MEDICARE CATASTROPHIC COVERAGE ACT SPOUSAL IMPOVERISHMENT CAPS (Reference: ACWDLs 90-01, 90-03, 91-84, 17-25, 18-19 and MEDILs I 21-07 and I 24-16)*, (January 28, 2026), **https://www.dhcs.ca.gov/wp-content/uploads/2026/04/26-02.pdf**.

[8] Note that "although states may limit the amount, duration, and scope of HCBS waiver services provided to beneficiaries (including those under age 21) who are enrolled in a waiver, states may not limit the amount, duration or scope of Section 1905(a) services to EPSDT-eligible children under 21 years of age who are enrolled in an HCBS waiver program." Centers for Medicare & Medicaid Services, *Coverage Guide Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Guide for States: Coverage in the Medicaid Benefit for Children,* at 15

(May 2026), https://www.medicaid.gov/medicaid/benefits/downloads/epsdt-coverage-guide.pdf.

[9] Cal. Dep't Health Servs., *Live at Home with the Care You Need*, https://www.dhcs.ca.gov/wp-content/uploads/2025/10/HCBS-DD-vs-HCBA-Waiver-Comparison-Flier.pdf (last visited July 29, 2026).

[10] Dep't Health Servs., *HCBA Waiver Current Enrollment Dashboard* (last visited September 18, 2026), https://www.dhcs.ca.gov/services/long-term-care-alternatives-home-and-community-based-service-options/hcba-waiver-current-enrollment-dashboard/; Dep't Health Servs., HCBA Policy Letter 24-004 *Release of HCBA Waiver Slots and Waitlist Management*, (August 27, 2024) https://www.dhcs.ca.gov/wp-content/uploads/2025/10/HCBA-PL-24-004-Release-of-HCBA-Waiver-Slots.pdf.

[11] Regional Centers serve people with developmental disabilities (intellectual disability, cerebral palsy, epilepsy, autism, and related conditions) who qualify under California's Lanterman Act. Cal. Dep't Dev. Servs., *Lanterman Act and Related Laws*, (last visited September 18, 2026), https://www.dds.ca.gov/transparency/laws-regulations/lanterman-act-and-related-laws/.

[12] This includes children 0-4 years of age with a disability who have significant functional limitations in at least two of the areas of major life activity. *See* Cal. Dep't Dev. Servs. Home and Community-Based Services-Developmental Disability Waiver, at 47, https://www.dds.ca.gov/wp-content/uploads/2024/01/1915c_HCBS_DD_Waiver_Effective_01.10.24.pdf.

[13] Cal. Dep't Dev. Servs., Self Determination Waiver, https://www.dds.ca.gov/wp-content/uploads/2021/12/SDP_Renewal_Approval_Letter_and_Application_2021.pdf.

[14] In some counties, the HCBA Waiver agency is the County or DHCS; individuals can also apply at their local Medi-Cal office. For a list of Waiver Agencies, see https://www.dhcs.ca.gov/services/long-term-care-alternatives-home-and-community-based-service-options/home-and-community-based-alternatives-waiver-2/.

[15] The HCBA Waiver uses the Medi-Cal Aid Code: 6X (No Share of Cost (SOC)) and 6Y (SOC) for individuals on the Waiver. *See* Cal. Dep't Health Servs., HCBA Policy Letter #19-001, *Prioritization of Intake Screening for Children / Youth under 21-Years of Age Who Have Applied for Enrollment into the Home and Community-Based Alternatives Waiver* (June 7, 2019), https://www.dhcs.ca.gov/wp-content/uploads/2025/10/20190701-HCBA-PL19-001.pdf; Cal. Dep't Health Servs., All County Welfare Director's Letter No. 23-07, *Information and Instructions Regarding the Home and Community-Based Alternatives Waiver and the Role of the County Eligibility Worker* (March 7, 2023), https://www.dhcs.ca.gov/wp-content/uploads/2025/10/23-07.pdf.

[16] See Cal. Dep't Health Servs., *Application for 1915(c) HCBS Waiver: CA.0139.R06.07 - Dec 01, 2025 (as of Dec 01, 2025)* at 3-4, **https://www.dhcs.ca.gov/wp-content/uploads/2025/12/1915c-HCBS-Waiver-CA-0139R0607-*122025*.pdf**.
[17] Note that the financial eligibility determination is made by the county, not the Waiver Agency.
[18] Cal. Dep't Health Servs., *Department of Developmental Disability Services Waiver Referral Letter DHCS 7096*, **https://www.dhcs.ca.gov/wp-content/uploads/2025/10/dhcs7096.pdf**.
[19] The Regional Centers use the Medi-Cal Aid Code: 6V (No SOC) and 6W (SOC). *See* Cal. Dep't Health Servs., *Medi-Cal Managed Care Plans Mandatory or Voluntary Enrollment by Medi-Cal Aid Codes 2026 Forward*, **https://www.dhcs.ca.gov/wp-content/uploads/2025/12/2026-Master-Aid-Code-Chart.pdf** (last visited July 29, 2026). The procedures are explained in Cal. Dep't Health Servs., All County Welfare Directors Letters (ACWDLs) Nos. 00-08, 00-59, and 01-24.
[20] Cal. Dep't Health Care Servs., Medi-Cal Eligibility Determination Letter No.: I 26-05, Reminders Regarding Institutional Deeming and the Disability Determination Process for Individuals Receiving Home and Community-Based Services (HCBS) Waivers, (February 26, 2026),**https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/I-26-05.pdf**.
[21] The Modified Adjusted Gross Income (MAGI) Medi-Cal method uses federal tax rules to decide if you qualify based on how you file your taxes and your countable Children eligible under MAGI Medi-Cal do not need institutional deeming and cannot receive it.
[22] *See* CAL. CODE REGS., tit. 22 § 50223.
[23] Cal. Dep't Health Care Servs., Medi-Cal Eligibility Determination Letter No.: I 26-05, Reminders Regarding Institutional Deeming and the Disability Determination Process for Individuals Receiving Home and Community-Based Services (HCBS) Waivers (February 26, 2026), **https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/I-26-05.pdf**.
[24] $1836 per month. *See* Cal. Dep't Health Care Servs., ACWDL 26-01*, 2026 FEDERAL POVERTY LEVELS* (January 21, 2026), **https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/26-01.pdf**.
[25] A Share of cost means that an individual must pay all of their income above $600 to be eligible for Medi-Cal.
[26] For information about Medi-Cal asset limits see Cal. Dep't Health Care Servs., *Asset Limit Frequently Asked Questions* **https://www.dhcs.ca.gov/medi-cal/help/asset-limit-frequently-asked-questions/** (last visited October 8, 2026).
[27] Retirement, Survivors, Disability Insurance (RSDI) is available from the Social Security Administration (SSA) to individuals with the required work history and/or their dependents. These may be in the form of primary benefits for the wage earner, or auxiliary and survivors benefits available to the dependent.

[28] The income limit for the ABD FPL program is $1836 per month. Cal. Dep't Health Care Servs., ACWDL 26-01, *2026 FEDERAL POVERTY LEVELS* (January 21, 2026) **https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/26-01.pdf**.
[29] *Id.*
[30] *See* Cal. Dep't Health Care Servs., ACWDL 10-7, *Treatment of Child Support Disregards for Current, Delayed, and Arrearage Payments Received by the Beneficiary*, (March 9, 2010), **https://www.dhcs.ca.gov/wp-content/uploads/2025/10/c10-07.pdf**.
[31] Cal. Dep't Health Care Servs., ACWDL.: 11-11, *REFERRAL OF DISABILITY PACKETS TO THE DISABILITY DETERMINATION SERVICE DIVISION - STATE PROGRAMS* (2011), **https://www.dhcs.ca.gov/wp-content/uploads/2025/10/c11-11.pdf**.
[32] To receive Medi-Cal based on disability, Counties must verify disability. CAL. CODE REGS., tit. 22, § 50167; Cal. Dep't Health Care Servs., ACWDL.: 11-11, *REFERRAL OF DISABILITY PACKETS TO THE DISABILITY DETERMINATION SERVICE DIVISION - STATE PROGRAMS* (2011), **https://www.dhcs.ca.gov/wp-content/uploads/2025/10/c11-11.pdf**.
[33] More information about the disability determination process is detailed in: "A disability determination is required for all waiver applicants if they have no other linkage or if there would be an advantage if the applicant were disabled, e.g. income deductions available only to the disabled. This determination of disability may be advantageous in the future when the child becomes an adult." Cal. Dep't Health Care Servs., ACWDL.: 96-60, at 3 (1996) **https://www.dhcs.ca.gov/wp-content/uploads/2025/10/c96-60.pdf**.
[34] Cal. Dep't Health Care Servs., DHCS Guide for Calculating MAGI Medi-Cal Individual Household Size, **https://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/Co-OPS-Sup/MAGIHouseholdSizeFlowChart.pdf** (last visited September 18, 2026); CAL. CODE REGS., tit. 22, § 50351(c).
[35] CAL. CODE REGS., tit. 22, §§ 50014; 50030; 50351(c).
[36] 42 C.F.R. § 435.603(f)(2).
[37] Internal Revenue Service, *Publication 501 (2025), Dependents, Standard Deduction, and Filing Information*, **https://www.irs.gov/publications/p501** (last visited September 18, 2026).
[38] The Modified Adjusted Gross Income (MAGI) Medi-Cal method uses federal tax rules to decide if you qualify based on how you file your taxes and your countable income; Covered California, *Program Eligibility by Federal Poverty Level for 2026* **https://www.coveredca.com/pdfs/FPL-chart.pdf** (last visited September 18, 2026); 42 C.F.R. § 435.603.
[39] Id.