**DEPARTMENT OF HEALTH SERVICES**
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(916) 657-2941

August 20, 1998

All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Public Health Directors

Letter No.:98-34

TREATMENT OF PAYMENTS TO CLASS MEMBERS AS A RESULT OF QUILLING V. BELSHÉ ET AL

The court, in the case of Quilling v. Belshé et al. has ordered the Department of Alcohol and Drugs to provide reimbursement for out-of-pocket medical costs incurred by members of the class of persons represented in this action for the purchase of methadone maintenance treatment services during the period from July 1, 1993 - June 30, 1994, and for a few individuals during the period from July 1, 1992 - June 30, 1994.

The court order further requires that reimbursements provided to Quilling class members shall be exempt for four calendar months and shall not be included in the property reserve. (Remember, reimbursements are considered to be property in the month of receipt since during the month funds were spent by the individual, the funds were either income or property.) The applicant/beneficiary shall provide any verification sufficient to establish that the payment or remaining funds are the result of a claim filed under Quilling v. Belshé. If verification is not available the county shall contact the Department of Alcohol and Drug Programs at (916) 323-0447 to verify the applicant's/beneficiary's statement that a Quilling reimbursement was made, and the date and amount of the reimbursement.

It is possible that some individuals may have claims for reimbursement denied. It is expected that some of those individuals will request hearings and re-hearings. Therefore, some class members may still be receiving claims through the first half of the year 2001. As of December 31, 2001, there should be no further Quilling reimbursements subject to this exemption.

If you have any questions, please feel free to contact Sharyl Shanen-Raya at (916) 657-2942 regarding property issues.

Sincerely,

ORIGINAL SIGNED BY

Glenda Arellano
Angeline Mrva, Chief
Medi-Cal Eligibility Branch