State of California—Health and Human Services Agency
Department of Health Services

California Department of Health Services

DIANA M. BONTÁ, R.N., Dr. P.H.
Director

GRAY DAVIS
Governor

October 23, 2003

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS

Letter No.: 03-50

SUBJECT: EXPANDING THE EXEMPTION OF HOLOCAUST RESTITUTION PAYMENTS

Based on recent federal approval of a State Plan amendment, this letter announces the expansion of the Medi-Cal resource exemption for holocaust restitution payments. The expansion is mandated by Assembly Bill 989 (Chapter 701, Statutes of 2002). The effective date of this amendment is April 1, 2003. Note: This letter supersedes All County Welfare Director Letters (ACWDL), Numbers 85-18 and 88-46, which described previous law changes that exempted holocaust restitution payments from consideration when determining eligibility for State Public Social Services.

The new provision includes all restitution payments received by an eligible individual who was persecuted on the basis of race, religion, physical or mental disability, or sexual orientation by Nazi Germany, any other Axis regime, or any other Nazi controlled or Nazi-allied country. In addition, this exemption applies to interest which is payable as part of any payment or distribution of a restitution payment. Finally, the new provisions also permit this property exemption to include the individual's heirs and the individual's estate. *(Note: This exemption applies to the individual that actually receives the payment).*

When a county becomes aware of an individual who has received a holocaust restitution payment, the county shall verify the receipt of the payment by first checking the case record for previously submitted verification. If there is no prior case record indicating that verification of such a payment occurred, then in accordance with ACWDL Number 90-96, "the Medi-Cal applicant/beneficiary is responsible for verification of the payment by providing a grant award letter, a copy of the check or other documentation" sufficient to verify the receipt of the holocaust restitution payment.

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1501 CAPITOL AVENUE, MS 4607, P.O. BOX 942732, SACRAMENTO, CA 94234-7320
TELEPHONE: (916) 552-9430 FAX: (916) 552-9478
Internet Address: www.dhs.ca.gov

The county must rescind any discontinuance or denial occurring on or after April 1, 2003, if the reason for this action was due to receipt of a holocaust payment. The county must then reevaluate the case applying this new property exemption.

Finally, holocaust restitution payments that have been converted to another form of resource or commingled with other funds shall continue to be exempt.

If you have any questions on this issue, please contact Mr. Bob Laederich at (916) 657-0080.

Original signed by

Beth Fife, Chief
Medi-Cal Eligibility Branch