STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

EDMUND G. BROWN JR., Governor

DEPARTMENT OF HEALTH SERVICES
714/744 P STREET
SACRAMENTO, CA 95814
(916) 445-1912

March 3, 1982

To: All County Welfare Directors

Letter No. 82-10

VALUATION OF REAL PROPERTY

Title 22, CAC, Section 50412 (a) (1) states that the market value of real property shall be four times the assessed value of the property, if the property is located in California. Since the passage of Proposition 13 in 1978, assessment practices in California have changed. California counties now assess real property at full cash value which is equal to the fair market value subject to the limitations of Proposition 13.

Section 50412 (a) (1) will be revised as soon as the Welfare and Institutions Code, Section 14006 is changed to reflect this current method of assessment of real property. Until the necessary revisions are made, Section 50412 (a) (1) should continue to be followed with the clarification that the market value of real property for Medi-Cal purposes shall be equal to the assessed value. It is no longer necessary or appropriate to multiply the assessed value by four.

In addition to the above method of determining market value of real property, Title 22, CAC, Section 50412 (a) (3) also allows the applicant or beneficiary to choose to have the market value established through the appraisal of the real property by a member of a recognized professional appraisal society. The appraisal must be obtained by the applicant and provided to the county department.

If you have any questions, please contact your Medi-Cal program consultant.

Sincerely,

Original signed by

Madalyn M. Martinez, Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants