

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET  
P.O. BOX 942732  
SACRAMENTO, CA 94234-7320



January 20, 1989

TO: All County Welfare Directors  
All County Administrative Officers

Letter No.: 89-07

SUBJECT: PROPERTY LIEN REFERRAL NOTIFICATION TO DHS

Reference: ACWD Letters No. 83-10, 83-24, 84-37, 84-52, and 85-77

### Background

Title 22 California Code of Regulations, Section 50428, describes the Department of Health Services' (DHS) authority to file a lien when a beneficiary residing in Long Term Care (LTC) does not intend to return to the principal residence and the property is not exempt for any other reason except that a bona fide effort to sell is being made in accordance with Section 50425(c)(7). Some counties have interpreted this regulation to apply only to beneficiaries over age 65. Please be advised that there is no age limitation in this regulation; therefore counties should notify DHS to record liens on property of all Medi-Cal beneficiaries, regardless of age, that are institutionalized having a principal residence that is currently exempt under the bona fide effort to sell provision.

This notice will serve as a reminder for all counties to notify the DHS when all criteria set forth in Section 50428 (a) are met or when a person in LTC has been discharged and returned to the principal residence.

DHS is currently recovering approximately \$450,000.00 annually from liens filed on LTC principal residences. It is expected that these recoveries will increase if more counties comply with this reporting procedure.

- 1) Send a copy of the Property Lien Referral (DHS 7014) to Department of Health Services (DHS) Recovery Branch for each beneficiary owning real property that may be liened in accordance with 22 CAC, Section 50428.
- 2) Send a copy of the Change of Status Liens for (DHS 7013) to DHS Recovery Branch any time there is a change to the information reflected on the DHS 7014.

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Please contact Rosanne Crocco, Probate Unit, General Collection  
Section, at (916) 322-0642 if you have any questions.

Sincerely,

Original signed by

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants

Expiration Date: January 20, 1990