STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

PETE WILSON, *Governor*

DEPARTMENT OF HEALTH SERVICES
714/744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320

February 26, 1991

TO: All County Welfare Directors
All County Administrative Officers

Letter No.: 91-15

SUBJECT: STATEWIDE AVERAGE PRIVATE PAY RATE FOR NURSING FACILITY SERVICES

The purpose of this letter is to officially announce the statewide average private pay rate for nursing facility services to be used in calculating the period of ineligibility for transfers of nonexempt property for less than fair market value. The amount to be used in calculating periods of ineligibility for disqualifying transfers made during the calendar year 1991 is $2,628.00. This means that counties should not recalculate periods of ineligibility for transfers which occurred in 1990. The 1990 average private pay rate of $2,432 still applies to those transfers.

Please remember, however, that the Department has not completed the system changes necessary to provide for the issuance of cards which limit the scope of benefits to all services except nursing facility services. Counties should continue to issue full scope Medi-Cal cards to those individuals who have made disqualifying transfers until further notice.

When the system changes have been completed, counties will be notified. Beneficiaries will not be held accountable for nursing facility services incorrectly paid for by Medi-Cal as a result of the issuance of full scope Medi-Cal cards. Therefore, counties shall not compute overpayments for these individuals. Time must be allowed to provide 10-day notices for adverse actions and the beneficiaries will be ineligible for nursing facility services only if time remains in their periods of ineligibility.

If you have any questions on this issue, please call Sharyl Shanen-Raya at (916) 324-4956.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants