

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
SACRAMENTO, CA 95814

616) 445-1912

August 26, 1982

To: All County Welfare Directors

Letter No. 82-47

OTHER REAL PROPERTY REGULATIONS

This will confirm the direction you received by our telephone call of August 17, 1982 on this subject. We notified your county that the Other Real Property Regulations implementing Welfare and Institutions Code, Section 14006 as amended by AB 799 (Chapter 328, Statutes of 1982) were not being filed as per All County Letters 82-41 and 82-45. We advised you to rescind any discontinuance notices for the month of September and to not deny, under these regulations, new applications. We advised you to comply with these directives by September 1, 1982 so there would be no break in aid and the affected beneficiaries would receive their Medi-Cal cards in the normal course of business.

The Department is seeking a legislative change in the statute in order to provide a smooth implementation of the other real property reductions. Specifically, we are seeking to amend the statute to provide a six-month period for the person with property within the old \$25,000 limit, to reduce it to be within the new \$6,000 limit; and to provide that the state shall have a lien against the property to reimburse it for the costs of medical services received during the period. Federal law on this point is also currently being amended, and we expect that the state statute as amended will be permissible under the amended federal statute. We anticipate this change in statute to be completed by September 1, 1982 and will provide counties with information necessary for its implementation as soon as possible.

As indicated in All County Letter 82-45, the following other regulation changes required to implement AB 799 were adopted by the Director on August 13, 1982 and filed with the Secretary of State on August 18, 1982. They shall take effect immediately.

1. Maintenance Need changes incorporating the elimination of Special Income Deduction for Aged, Blind and Disabled.
2. Elimination of Retroactive Property Spenddown.
3. Preverification of Income and Resources.

We understand the hardship this change in instructions has placed on the counties, but we believe that the humanitarian purpose in allowing flexibility in meeting the reduced limit is equally important.

August 26, 1982

We do appreciate the promptness with which you have implemented the changes in AB 799 to date. If you have any questions, please contact your Medi-Cal program consultant.

Sincerely,

Original signed by

David Mitchell for
Madalyn M. Martinez, Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants