

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
SACRAMENTO, CA 95814
(916) 445-1912



December 15, 1982

To: County Welfare Directors

Letter No. 82-71

OTHER REAL PROPERTY

This is to advise you that we expect to file emergency regulations effective January 1, 1983 revising current other real property regulations. These changes will implement AB 799 (Chapter 328, Statutes of 1982) and SB 2012 (Chapter 1594, Statutes of 1982).

These new regulations will reduce the other real property limitation for utilized property from \$25,000 to \$6,000. However, these regulations will provide that under certain conditions, eligibility is not precluded for a beneficiary whose home (principal residence) exceeds the property limit and is no longer exempt due to his/her long-term care status. These conditions follow:

1. The home must be listed for sale at its fair market value established by a qualified real estate appraiser, including a licensed real estate broker, and evidence of this provided to the county by the beneficiary; and
2. The beneficiary must report all offers of sale and/or acceptance of sale to the county.

In addition, as required by SB 2012, the State will record a lien against that property for the costs of medical services provided to the beneficiary. We will develop a form for counties to report the information necessary for DHS to file the lien.

Assuming an effective date of January 1, 1983 as expected, implementation will begin on that date for intake cases. Since, however, timely and adequate notice must be provided to continuing beneficiaries, implementation for these cases shall begin February 1, 1983 in order to provide proper notice. Federal regulations concerning liens are very specific about information to be provided on the notice. Therefore, we will develop a sample Notice of Action for county use and will send you a copy as soon as possible.

All County Welfare Directors

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We plan to send you an advance copy of these regulations. If you need additional information before you receive your advance copy, you may contact your program consultant.

Sincerely,

Original signed by

Madalyn M. Martinez, Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants