

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
ACRAMENTO, CA 95814

June 22, 1984

To: All County Welfare Directors

Letter No. 84-25

KING V. MCMAHON

This is in response to the questions we have received regarding how to treat payments made by the State Department of Social Services (DSS) pursuant to the court's decision in King v. McMahon for Medi-Cal purposes. As you may recall, DSS was ordered to pay \$100 for each month DSS was late in rendering a favorable state hearing decision to the appealing applicant or recipient.

The majority of persons receiving these payments are AFDC recipients and counties will continue to follow the instructions provided in DSS All County Letter No. 84-01. For those persons who receive King payments and are applying for, or receiving Medi-Cal only, these payments are considered public assistance grants and are exempt as both income and resources in the month of receipt, per Title 22, California Administrative Code (22CAC), Section 50525(a). Any unexpended King payment will be considered as a resource in the month following the month of receipt, per 22 CAC, Sections 50451 and 50453.

If your staff have any questions on income, please contact Vivian Gannon at (916) 324-4966 or (ATSS) 454-4966. Questions about state hearings should be referred to Frank Brown at (916) 324-4954 or (ATSS) 454-4954.

Sincerely,

Original signed by

Odette Nicoll for
Caroline Cabias, Chief
Medi-Cal Eligibility Branchcc: Medi-Cal Liaisons
Medi-Cal Program Consultants