

DEPARTMENT OF HEALTH SERVICES

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



October 2, 1989

To: All County Welfare Directors
All County Administrative Officers

Letter No.: 89-82

SUBJECT: NOTIFICATION OF SSI AND IHSS RECIPIENTS OF POSSIBLE INELIGIBILITY
FOR MEDI-CAL-ONLY DUE TO TRANSFERS OF PROPERTY FOR LESS THAN
ADEQUATE CONSIDERATION

The Medicare Catastrophic Coverage Act of 1988 (MCCA) (PL 100-360) eliminated the transfer of assets rule for everyone except institutionalized individuals who are making application for, or are recipients of, Medi-Cal. For institutionalized individuals, the look back period was extended from 24 to 30 months. (Medi-Cal received a waiver from the Department of Health and Human Services to delay implementation of these changes until January 1, 1990 due to the need for state legislation.) As of July 1, 1988, the transfer of assets rule was eliminated for Supplemental Security Income/State Supplementary Payments Program (SSI/SSP) and In-Home Support Services (IHSS) recipients as well. Should an SSI or IHSS recipient later become institutionalized and need to be transferred from cash-based Medi-Cal to Medi-Cal-only, any transfers of property made within 24 months (30 months after 1/1/90) from the date of institutionalization will be scrutinized for adequate consideration.

The Department has received a number of inquiries as to whether or not SSI and IHSS recipients are being notified that the transfer of assets rule still applies to institutionalized individuals who apply for Medi-Cal-only. The MCCA requires the Social Security Administration to notify each SSI applicant and recipient (at redetermination) of the existence of a transfer of assets rule for Medi-Cal. The notice is then reviewed with the applicant/recipient by the SSI eligibility worker. As soon as a system is developed, the Social Security Administration will also notify the Department (whenever possible) of transfers made by an SSI applicant or recipient. The Department of Health Services with the Department of Social Services, Adult Services Bureau, may develop a similar approach for reporting transfers by IHSS recipients and applicants.

All County Welfare Directors
All County Administrative Officers
Page 2

If you have any questions on this issue, please call Sharyl Shanen at (916) 324-4956 or ATSS 8-454-4956.

Sincerely,

Original signed by

Sandra Duveneck, for
Frank Martucci, Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: October 2, 1990