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State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
Governor

**NOTICE OF ADDITIONAL CHANGES TO THE TEXT OF PROPOSED REGULATIONS
AND ADDITION OF DOCUMENTATION TO THE RULEMAKING
FILE REGARDING**

**Estate Recovery
(Title 22) DHCS-08-012**

Pursuant to Government Code Section 11346.8, notice is hereby given that the Department of Health Care Services (Department) is making additional changes to the text of the proposed subject regulations. A copy of the proposed regulation text with the additional changes clearly indicated is attached.

Pursuant to Government Code Section 11347.1, notice is hereby given that the Department is adding supporting documentation to the rulemaking file for the proposed subject regulations.

The Department is making the additional proposed changes available for review during a 15-day public comment period.

WRITTEN COMMENT PERIOD

Any interested person or his or her duly authorized representative may submit written comments to the Department. *Only the additional changes to the proposed regulation text, as described in this notice, are subject to comment.*

Please label any comments as pertaining to Estate Recovery, DHCS-08-012 and submit using any of the following methods:

Mail Delivery: Department of Health Care Services
Office of Regulations, MS 0015
P.O. Box 997413
Sacramento, CA 95899-7413

Hand Delivery: Department of Health Care Services
Office of Regulations
1501 Capitol Avenue, Suite 5084
Sacramento, CA 95814

FAX: (916) 440-5748

Email: regulations@dhcs.ca.gov

The Department will accept written comments from July 15, 2015 through July 30, 2015. Any written comments, regardless of the method of transmittal must be received by the Office of Regulations by 5:00 pm on July 30, 2015, for consideration and response by the Department in the Final Statement of Reasons.

Written comments should include the author's contact information so the Department can provide notification of any further changes to the regulation proposal.

METHOD OF INDICATING CHANGES

The additional changes to the regulation text for Estate Recovery (DHCS-08-012), are shown by using double strikeout for deletions (~~*double strikeout for deletions*~~) and double underline for additions (double underline for additions.) Due to the structure and content, additional changes to the Application for Hardship Waiver, Form DHCS 6195 (5-11) are shown on the newly proposed DHCS 6195 (05/15) form.

SUMMARY OF ADDITIONAL CHANGES

The Department has prepared supplemental information that describes regulation text and form amendments proposed, as follows:

Relocated Provisions/Redesignations

The relevant content of proposed Section 50961(f) is relocated to newly proposed Section 50961(d)(3) for purposes of clarity and specifically to be located with other exemptions under which the Department will not make a claim against the estate of a decedent. As a result of the relocation of this provision to Section 50961(d)(3), existing Section 50961(d)(3) is redesignated to Section 50961(d)(4); existing Section 50961(d)(4) is redesignated to Section 50961(d)(5); proposed Section 50961(g) is redesignated back to the former designation of Section 50961(f); proposed Section 50961(h) is redesignated back to the former designation of Section 50961(g); proposed Section 50961(i) is redesignated back to the former designation of Section 50961(h); proposed Section 50961(j) is redesignated back to the former designation of Section 50961(i); proposed Section 50961(k) is redesignated back to the former designation of Section 50961(j); proposed Section 50961(l) is redesignated back to the former designation of Section 50961(k); and proposed Section 50961(m) is redesignated back to the former designation of Section 50961(l).

Section 50961(d)

As a result of public comment, the language “, or deferral of,” as initially proposed, is removed. This amendment is made for purposes of clarity and for consistent use of terms. Paragraphs (1) through (5) describe the circumstances under which there will be an exemption of the Department's claim as well as time-periods in which the exemptions shall exist; therefore, introducing the new term “deferral” is not necessary.

Section 50961(d)(1)

As a result of public comment this subsection is amended and further expanded through proposed paragraphs (A) and (B), as described below, for purposes of clarity and consistency with the State Medicaid Manual (SMM) (Part 3 – Eligibility, Section 3810), State Plan Amendment (SPA) (TN No. 01-002, 4.17(a), p. 53; TN No. 10-009, 4.17(b), p. 53a; TN No. 94-031, 4.17(c), p. 53c; TN No. 06-011, Attachment 4.17-A, p. 1; and TN No. 06-011, Attachment 4.17-D, pp. 5-6; and 42 U.S.C. Section 1396p(a)(1)(B). Subsection (d)(1) specifies that the Department’s claim is exempt for individuals under age 55 “when Medi-Cal services as specified in subsection (c), were received, except if the individual is/was an inpatient in a nursing facility, intermediate care facility for individuals with intellectual disabilities, or other medical institution, and both of the following conditions are met.” The change from “intermediate care facility for the mentally retarded” to “intermediate care facility for individuals with intellectual disabilities,” reflects the intent of “Rosa’s Law” (S.2781, 2010). The law compels states to change references from mentally retarded individuals to individuals with intellectual disabilities. The term “is” is added with “was” to clearly specify that the Department’s claim may apply when this individual is living. The following amendments are also proposed under Section 50961(d)(1): 1) “Medi-Cal” is added to clarify the type of services; 2) “, as specified in subsection (c)” is added to point to the subsection that includes a description of the services; 3) “received” is added to replace “provided” for consistency with terms used in Welfare and Institutions Code Section 14009.5(b)(1); and 4) “except if” is added to replace “unless” to improve the sentence structure and syntax.

Section 50961(d)(1)(A) and (B)

As a result of public comment, paragraphs (A) and (B) are proposed for purposes of clarity and for consistency with the SMM, SPA and 42 U.S.C. Section 1396p(a)(1)(B) as detailed above in Section 50961(d)(1).

Section 50961(d)(1)(A) is added to read “the provisions under Title 22, California Code of Regulations, Section 50428 apply to the individual.” Section 50428 is cross-referenced because it details, among other provisions, if a lien will or will not be recorded against the principal residence of an institutionalized individual; related action and state hearing information; and a provision related to the beneficiary’s statement of intent not to return to the principal residence.

Section 50961(d)(1)(B) is added to read “the individual spends for costs of medical care all but a minimal amount of his/her income required for personal needs,” for the reasons described in Section 50961(d)(1) within this summary of proposed changes.

Section 50961(d)(2)

As a result of public comment, the proposed phrase “The Department shall defer collection of the entire claim during the lifetime of the surviving spouse” is withdrawn for purposes of clarity as further described in Section 50961(d) within this Summary of Proposed Changes.

Section 50961(d)(3)

The relevant content of initially proposed Section 50961(f) is relocated to newly proposed Section 50961(d)(3) for purposes of clarity and specifically to be located with the other exemptions under which the Department will not make a claim against the estate of a decedent, which are specified under subsection (d).

Section 50961(f)

The relevant content of initially proposed Section 50961(f) is relocated to newly proposed Section 50961(d)(3) for purposes of clarity and specifically to be located with the other exemptions under which the Department will not make a claim against the estate of a decedent, which are specified under subsection (d).

Section 50962(c)(3)

An amendment is made to update the revision date on the Application for Hardship Waiver, form DHCS 6195 from 5-11 to 05/15. A further description of the newly proposed amendments to the form is described below.

Section 50963(a)

As a result of public comment, this subsection is amended to read, “The Department shall waive an applicant’s proportionate share of the claim if the applicant can demonstrate through submission of an Application for Hardship Waiver, form DHCS 6195 (05/15) and documentation to substantiate hardship....” This amendment is made for purposes of clarity and to ensure that only necessary and applicable information is required to be submitted as part of the hardship waiver request. In addition, an amendment is made to update the revision date on the Application for Hardship Waiver, form DHCS 6195 to (05/15). Please see section below “Application for Hardship Waiver, form DHCS 6195” for a further description of the newly proposed amendments.

Section 50963(f)

As a result of public comment, the repeal of the 90-day time frame within which the Department makes a determination on the hardship waiver application has been withdrawn and amended to read, “within 90 days of the submission of the application” to clarify that the application is what is needed to be submitted.

Application for Hardship Waiver, Form DHCS 6195 (05/15)

The Application for Hardship Waiver form, DHCS 6195 (05/15) (application) has been amended. These changes include changes to the application itself, as well as changes to the requirements for submission of documentation. These amendments are necessary to improve the overall clarity of the application. As a result of the structure and appearance of the form, the proposed (5-11) version of the form is replaced with the newly proposed (05/15) version. The amendments on the newly proposed (05/15) version that differ from the proposed (5-11) version are described below.

This application is the means by which an applicant can apply for a hardship waiver to demonstrate that enforcement of the Department’s claim would result in a substantial hardship. The purpose of the application is to ascertain if the applicant meets the established criteria specified in CCR Section 50963, to qualify for a waiver of his or her

proportionate share of the Department's claim. Federal law (42 U.S.C. Section 1396p(b)(3)(A)) and the State Medicaid Manual, Part 3 – Eligibility, Section 3810, pages 3-9-7, dated January 11, 2001, require the Department to establish procedures and standards for waiving estate recoveries when enforcement of a claim would cause a hardship.

Amendments are made to the application's introductory section to provide general information to the applicant. The first sentence was amended to read "Submission of this Application for Hardship Waiver (Application) and documentation is necessary to apply for a waiver of the applicant's proportionate share of the estate claim." This sentence replaces introductory language in the 5-11 version of the form and is necessary to more clearly specify that documentation is also required to be submitted with the application. The third sentence was amended to state that "...failure to provide accurate documentation to substantiate hardship may result in a denial of the application." This amendment is necessary for purposes of clarity and to inform applicants of the need to submit accurate documentation. An additional sentence was added stating that "a signature is required to process an application." An unsigned form would likely cause delays in processing the application. The application, as amended, also states "it is not necessary for the applicant to submit documentation previously received by the Department"; this is necessary to avoid duplication and delays in the processing of applications. Lastly, a sentence was added stating the "Department reserves the right to request additional documentation." This is necessary so that additional information may be requested based on an applicant's unique situation or criteria selected.

Further amendments to the header section of the application add an address and phone number to ensure the applicant knows where to mail the form, and a number to contact a collection representative or the Estate Recovery Section's mainline for additional questions. While the Department mails a separate cover letter with the application, including this information will ensure that the applicant is provided with an address if the form is separated. Additionally, there are instructions on the form directing applicants to a webpage to access the form in Spanish or to the collection representative for a copy of the Spanish version of the application. Another addition to the form is a statement requiring that all applicants complete Sections A (Decedent's Estate Information), B (Applicant Information), C (Hardship Waiver Criteria), and G (Certification) of the application. In addition, applicants are instructed that they must submit requested documentation and complete other sections of the application as specified in Section C. This information is necessary to direct the applicant to the areas of the application that must be completed and the documentation that must be submitted for consideration of a hardship waiver.

The application includes the following formatting revisions from the 5-11 version of the form:

- Section A ("Estate of") and Section D ("Decedent's Estate Consists of") of the 5-11 version of the form, are condensed and are located in Section A, now titled "Decedent's Estate Information."
- Section B ("Applicant's Name") of the 5-11 version of the form is now titled "Applicant Information" (Section B).

- Section C (“Criteria for Hardship Waiver...”) and Section H (“Attachments/Documentation/Certification”) of the 5-11 version of the form are condensed and are now titled “Hardship Waiver Criteria” (Section C). The documentation requirements are listed under each criterion and throughout the form, as applicable.
- Section D (“Decedent’s Estate Consists of:...”) of the 5-11 version of the form was condensed and relocated to Section F, now titled “Applicant’s Value of Assets.”
- Section E (“Applicant’s Monthly Income”) of the 5-11 version of the form, has been relocated to Section D.
- Section F (“Applicant’s Monthly Expense”) of the 5-11 version of the form has been relocated to Section E, now titled “Applicant’s Monthly Expenses.”
- Section G (“Applicant’s Assets and Debts”) of the 5-11 version of the form has been relocated to Section F, now titled “Applicant’s Value of Assets.”
- Section H (“Certification”) of the 5-11 version of the form has been relocated to Section G.
- The Privacy Statement has been amended as described below.

Additional information requested within the new form is described below.

SECTION A. DECEDENT’S ESTATE INFORMATION – Complete all applicable estate information. This section replaces two sections on the 5-11 version of the form, Section A: Estate of; and Section D: Decedent’s Estate Consists of.

DECEDENT’S NAME

This information replaces ESTATE OF on the 5-11 version of the form. This is necessary to identify the decedent and to locate the decedent’s case information.

DHCS ACCOUNT NUMBER

This replaces CASE NUMBER on the 5-11 version of the form. DHCS Account Number is the correct identifier to the decedent’s information.

DID THE DECEDENT HAVE A SPOUSE OR REGISTERED DOMESTIC PARTNER WHO DIED BEFORE THE DECEDENT AND WHO WAS ALSO ON MEDI-CAL? YES/NO; IF YES, PLEASE PROVIDE PREDECEASED SPOUSE/REGISTERED DOMESTIC PARTNER’S NAME/DHCS ACCOUNT NUMBER

The form now has space for two decedents (decedent and predeceased spouse/registered domestic partner), eliminating the need for the applicant to complete two forms, if the individual was on Medi-Cal. It should be noted that each case is reviewed separately, and approval of a hardship waiver on one case does not necessarily indicate an approval for both cases.

**IS THE ESTATE PROPERTY HELD IN A TRUST? YES/NO
IF YES, ATTACH A COMPLETE COPY OF THE TRUST DOCUMENT WITH AMENDMENTS**

This information is still requested because the Department’s claim may be reduced if the estate property was held in a trust and information was not previously provided. A complete copy of the trust document is requested for verification to determine if the trust is revocable or irrevocable; to ensure that the claim has been calculated accurately; and

to determine the applicant's percentage interest in the estate. The Department will only recover for services paid on or after 10/1/93 when assets are held in a trust.

IS THERE A WILL? YES/NO

IF YES, ATTACH A COPY OF THE WILL

This information is still needed because a copy of the will is requested for verification purposes and also to determine the applicant's percentage interest in the estate.

ESTATE PROPERTY STREET ADDRESS CITY STATE ZIP

This information is still requested because the Department needs to know the location of the estate property, and if the property address is different from the applicant's mailing address.

REAL PROPERTY/HOUSE(S)/ MARKET VALUE/MORTGAGE OWED

(ATTACH DEED, MORTGAGE STATEMENT AND APPRAISAL OR COMPARATIVE MARKET ANALYSIS THAT VALUES THE PROPERTY AT THE TIME OF THE DECEDENT'S DEATH, IF APPLICABLE)

This information is still needed to provide clarification as to the type of estate asset(s) (real property), the house market value, and the amount (if any) owed on a mortgage. The documentation supporting the estate asset (deed, mortgage statement, and appraisal or comparative market analysis) is also requested for verification purposes.

MOBILE HOME(S)/ MARKET VALUE/MORTGAGE OWED

(ATTACH REGISTRATION, MORTGAGE STATEMENT AND APPRAISAL THAT VALUES THE PROPERTY AT THE TIME OF THE DECEDENT'S DEATH, IF APPLICABLE)

This information is still needed to provide clarification as to the type of estate asset(s) (mobile home), the market value, and the amount (if any) owed on a mortgage. The documentation supporting the estate asset (registration, mortgage statement, and appraisal) is also requested for verification purposes.

IS/WAS THE PROPERTY LISTED FOR SALE? YES/NO

IF YES, PROVIDE A COPY OF THE LISTING AGREEMENT. IF THE PROPERTY HAS SOLD, ATTACH A COPY OF SETTLEMENT STATEMENT

The information is necessary so the Department can determine the market value of the property and whether a hardship exists. The documentation to support this market value is also requested for verification purposes.

OTHER ASSETS IN THE DECEDENT'S NAME AT THE TIME OF DEATH (ATTACH COPIES OF STATEMENTS, CONTRACTS, POLICIES, ETC.)

This section header was added to indicate other assets a decedent may have had legal title or interest in, which is needed to specify all relevant estate assets.

BANK ACCOUNT(S) (ATTACH STATEMENT(S) AS OF DATE OF DEATH)

CHECKING: YES/NO AMOUNT \$_____ SAVINGS: YES/NO AMOUNT \$_____

This information is still requested so the Department can determine the estate assets and value. A copy of bank statement(s) is required for verification of the information provided

on the form. This statement(s) would include the name and address of the bank and account number(s).

ANNUITIES (ATTACH CONTRACT WITH PROOF OF PURCHASE DATE) VALUE \$_____

This information is still requested so the Department can determine the estate assets and value. For estate recovery purposes, the Department will not consider annuities purchased before September 1, 2004 as an estate asset. A copy of the contract is requested for verification of terms of payment and the annuity purchase date.

LIFE INSURANCE POLICY VALUE \$_____

BENEFICIARY(S) _____
(ATTACH COPY OF PAPERWORK SHOWING NAMED BENEFICIARY(S), IF APPLICABLE)

This information is still requested so the Department can determine the estate assets and value. The beneficiary information is requested because a life insurance policy that names the estate as the beneficiary or reverts to the estate is, for estate recovery purposes, an asset of the estate. A copy of the paperwork showing the named beneficiary is requested instead of the contract, as the terms may vary. The paperwork is requested for verification.

RETIREMENT ACCOUNTS (CD/IRA/401K/OTHER) VALUE \$_____

BENEFICIARY(S) _____
(ATTACH A COPY OF PAPERWORK SHOWING NAMED BENEFICIARY(S), IF APPLICABLE)

This information is still requested so the Department can determine the estate assets and value. The beneficiary information is requested because any retirement account that names the estate as the beneficiary or reverts to the estate is, for estate recovery purposes, an asset of the estate. The type of account is not needed on the form because paperwork specifying the named beneficiary will be submitted.

STOCKS/ BONDS/ NOTES/ OTHER PERSONAL PROPERTY (AUTOMOBILES, ETC.) IN THE DECEDENT'S NAME AT THE TIME OF DEATH

TYPE OF OTHER PROPERTY? VALUE \$_____

TYPE OF OTHER PROPERTY? VALUE \$_____

This information is still required so the Department can determine the estate assets and value. Personal property (automobiles) is included to offer an example of "other personal property" that may be in the decedent's name at the time of death. Blank spaces are provided to include this information and the "value" of the property for convenience.

ARE THERE ESTATE EXPENSES? YES/NO

(BILLS OR EXPENSES PAID BY THE APPLICANT AFTER THE DECEDENT'S DEATH ON HIS/HER BEHALF, INCLUDING BURIAL EXPENSES, OUT-OF-POCKET ADMINISTRATION EXPENSES, SUCH AS MORTGAGE PAYMENTS, ATTORNEY FEES, TAXES, INSURANCE, ETC.) PLEASE LIST EXPENSES AND PROVIDE COPIES OF RECEIPTS OR STATEMENTS

TYPE OF EXPENSE _____ AMOUNT \$ _____
TYPE OF EXPENSE _____ AMOUNT \$ _____
TYPE OF EXPENSE _____ AMOUNT \$ _____

TYPE OF EXPENSE _____ AMOUNT \$ _____
TYPE OF EXPENSE _____ AMOUNT \$ _____

This information is requested so the Department can determine the net value of the estate. The Department takes into account certain expenses of administration per California Probate Code Section 11420.

ITEMS REMOVED/AMENDED FROM SECTION A OF THE APPLICATION, VERSION (5-11):

ESTATE OF

This is replaced by decedent's name for clarity.

CASE NUMBER

This is replaced by "DHCS Account Number" for the reasons stated above.

DATE OF APPLICATION

This is removed. The Applicant signs and dates the application in the Certification; therefore the information is duplicative. Furthermore, the Department looks at the postmark date in order to determine the timeliness of the application.

TOTAL VALUE OF THE ESTATE

This is removed. The collection representative will determine the total value of the estate based on the documentation provided; therefore this information is unnecessary.

CLAIM AMOUNT

This is removed. The claim amount is forwarded with the original case records; therefore it is not necessary for the applicant to provide this information.

YOUR SHARE OF ESTATE

This is removed. Since the Department requests the will, trust and/or probate information, requesting that the applicant provide this information is not necessary.

ITEMS REMOVED/AMENDED FROM SECTION D OF THE APPLICATION, VERSION (5-11):

"DECEDENT'S ESTATE CONSISTS OF: CHECK ALL APPLICABLE ASSETS AND COMPLETE ALL RELATED INFORMATION. LIST ALL ESTATE ASSETS INCLUDING PROPERTY CONVEYED THROUGH JOINT TENANCY, TENANCY IN COMMON, LIFE ESTATE, LIVING TRUST, ANNUITIES PURCHASED ON OR AFTER SEPTEMBER 1, 2004, LIFE INSURANCE POLICY, OR RETIREMENT ACCOUNT. PLEASE ATTACH COPIES OF RECORDED DEED(S), REGISTRATION(S), BANK STATEMENT(S), LISTING AGREEMENTS/CONTRACTS, LIFE INSURANCE POLICY STATEMENTS, STOCKS, BONDS, AND ANNUITY DOCUMENTATION, ETC."

This statement was removed from the section title. This information is requested throughout the application, as proposed, and as described in the summary of proposed changes; therefore, the information is unnecessary.

IS THE PROPERTY LISTED FOR SALE? YES/NO IF NO, PLEASE EXPLAIN

Was revised to read: IS/WAS THE PROPERTY LISTED FOR SALE? YES/NO

This amendment is necessary for purposes of clarity. The property may already have been sold in the time period before the applicant's hardship waiver application is received by the Department; however, the property would still be considered an estate asset.

IS ANYONE LIVING IN THE PROPERTY: YES/NO/ IF YES, HOW LONG HAVE THEY LIVED IN THE PROPERTY?

These statements are removed. Information regarding any further household contributions made to the applicant is in new Section D.

IS THE PROPERTY BEING RENTED? AMOUNT OF MONTHLY RENT COLLECTED. NAME AND RELATIONSHIP TO DECEDENT, (IF ANY)

These statements were removed. Rental income is required in new Section D for the applicable criteria. The name and relationship of the individual renting the property is not relevant so it was removed.

ARE YOU PAYING SPACE RENT FOR THE MOBILE HOME? YES/NO
IF YES, HOW MUCH? (ATTACH STATEMENT)

This section was removed and replaced with "ARE THERE ESTATE EXPENSES" described above. Space rent would be considered out of pocket administration expense; therefore this question is not necessary.

IS THE ESTATE PROPERTY HELD IN A TRUST: YES/NO TYPE OF TRUST?
(ATTACH A COPY OF THE TRUST DOCUMENT)

The request asking for the type of trust was removed. A copy of the complete trust is now requested under new Section A and will be reviewed by the Collection Representative.

IS THIS ESTATE PROPERTY PART OF AN INCOME PRODUCING BUSINESS,
INCLUDING A WORKING FARM OR RANCH? YES/NO

IF YES, IS THIS YOUR PRIMARY SOURCE OF INCOME? YES/NO
(PLEASE INCLUDE AS OTHER INCOME IN SECTION E.)

This information is now located in Section C and includes monthly income and documentation requests specified in Section D.

NAME AND ADDRESS OF BANK/ACCOUNT NUMBER

The name and address of the bank and account number(s) are removed because they are not necessary; the statement(s) would include this information.

ANNUITIES/VALUE/TYPE/DATE PURCHASED

As described above, the Department requests the value of annuities with a contract. The contract will indicate the type of annuity and date of purchase; therefore, "Type" and "Date Purchased" are removed.

LIFE ESTATE/VALUE/TYPE

This is removed as it is not necessary. The Department requests the deed history, which should indicate whether there was a life estate and the type and value.

RETIREMENT ACCOUNTS/TYPE

The type of account is removed as it is not necessary; the Department requests a copy of the paperwork for verification, which will include the type of retirement account.

STOCKS/BONDS/NOTES/OTHER/VALUE/TYPE/DATE PURCHASED

This section was replaced with "Stocks/Bonds/Notes/Other Personal Property (automobiles, etc.) in the decedent's name at the time of death," as described above. The "Date Purchased" is not necessary because the Department now only requests this information at the time of death.

SECTION B. APPLICANT INFORMATION – This section requests identifying information regarding the applicant:

APPLICANT'S NAME (FIRST, MIDDLE, LAST)

This information is still needed to identify the name of the applicant, who must be a recipient of the assets from the estate of the deceased Medi-Cal beneficiary.

SOCIAL SECURITY NUMBER

This information is still needed to verify other application information provided, and for identification purposes in the event research is needed in an effort to prevent any form of abuse against the Medi-Cal program. This number is also used to check the Medi-Cal Eligibility Data System (MEDS) to determine if the applicant is receiving public assistance or Social Security Income, or to determine whether the applicant is disabled within the meaning of the Social Security Act.

DATE OF BIRTH (mm/dd/yyyy)

This information is still needed to identify the applicant in the event a person with the same name is found on MEDS, and is further used to determine the age of the applicant as it pertains to the criterion in Section 50963(a)(3). In addition, this information identifies an applicant who is a minor child of the decedent, which will prompt the Department to withdraw the estate recovery claim.

ADDRESS/CITY/STATE/ZIP

This information is needed as a mailing address in the event the Department seeks additional information by mail or for mailing the hardship waiver decision. The current physical address of the applicant is also needed for verification because criteria in Section 50963(a)(3) and (4) require that the applicant continue to reside in the decedent's home.

TELEPHONE NUMBER

This information is still needed so the Department can contact the applicant in the event additional information is needed and to inform him or her of the hardship waiver decision.

ITEMS REMOVED FROM SECTION B OF THE APPLICATION, VERSION (5-11):

DRIVER'S LICENSE/ID NUMBER

This information is removed because it is not relevant or necessary for the hardship waiver application.

RELATIONSHIP TO DECEDENT

This information is removed because a will or trust is already requested for verification that the applicant is an heir; therefore, the information is not necessary for the hardship waiver application.

P.O. BOX/CITY/STATE/ZIP CODE

This information is removed because the address is already requested in the "address" request, described above.

SPOUSE/REGISTERED DOMESTIC PARTNER'S NAME

This information is removed because it is not relevant or necessary for the hardship waiver application.

**SPOUSE/REGISTERED DOMESTIC PARTNER'S SOCIAL SECURITY NUMBER/
DRIVER'S LICENSE/ID NUMBER/ DATE OF BIRTH (mm/dd/yy)**

This information is removed because it is not relevant or necessary for the hardship waiver application.

APPLICANT'S EMPLOYER/ADDRESS/CITY/STATE/ZIP/TELEPHONE NUMBER

This information is removed. Pay stubs and tax statements, which include this information, are now requested in Section D. The information is duplicative and not necessary in new Section B.

**SPOUSE/REGISTERED DOMESTIC PARTNER'S
EMPLOYER/ADDRESS/CITY/STATE/ZIP/TELEPHONE NUMBER**

This information is removed. Pay stubs and tax statements, which include this information, are now requested in Section D. The information is duplicative and not necessary in new Section B.

**ARE THERE ANY UNMARRIED CHILDREN, OR ANY OTHER PERSONS, LIVING
WITH THE APPLICANT? YES/NO**

**IF YES, LIST THEIR NAME, BIRTH DATE, AND RELATIONSHIP TO APPLICANT.
NAME (FIRST, MIDDLE, LAST)/BIRTH DATE (mm/dd/yy)/RELATIONSHIP TO
APPLICANT**

This information is removed. Household contributions that the applicant may have are now requested in Section D. This information is now only requested if the applicant applies based on criteria that considers the applicant's monthly income.

SECTION C. CHECK ALL APPLICABLE CRITERIA BELOW (1-6) THAT QUALIFY THE APPLICANT FOR A HARDSHIP WAIVER (SEE TITLE 22, CALIFORNIA CODE OF REGULATIONS SECTION 50963). APPLICANTS MUST ALSO SUBMIT THE REQUESTED DOCUMENTATION AND COMPLETE OTHER SECTIONS AS LISTED BELOW EACH CRITERION. CRITERIA ARE FOUND ON PAGES 4, 5 AND 6.

This phrase replaces the former Section C, found on the (5-11) version of the form, which stated "Criteria for Hardship Waiver consideration can be found in the California Code of Regulations, Section 50963. Please check the criteria below that qualifies the applicant for a hardship waiver. Attach documentation that provides substantiation for the criteria selected. Failure to provide sufficient substantiation may result in a denial of the waiver." These amendments are made for clarity and brevity. The section continues to include a space for the applicant to check the appropriate criteria, as applicable; however, the language now clarifies that the applicant may apply for multiple criteria. Section C now lists the suggested documentation previously found in SECTION H to substantiate the selected criteria, and to eliminate irrelevant paperwork. See changes below.

1. RECEIVING THE INHERITANCE FROM THE ESTATE WILL ENABLE THE APPLICANT TO DISCONTINUE ELIGIBILITY FOR PUBLIC ASSISTANCE PAYMENTS AND/OR MEDICAL ASSISTANCE PROGRAMS.

PLEASE SUBMIT:

- A LETTER FROM THE APPLICANT'S COUNTY SOCIAL SERVICES WORKER THAT PROVES RECEIPT OF THE INHERITANCE WOULD DISCONTINUE THE APPLICANT'S ELIGIBILITY FROM PUBLIC ASSISTANCE PAYMENTS AND/OR MEDICAL ASSISTANCE PROGRAMS, **OR**
- PROOF OF ELIGIBILITY FOR BENEFITS RECEIVED BY THE APPLICANT, **AND**
- PROOF THAT THE INHERITANCE WOULD DISCONTINUE THE BENEFITS RECEIVED BY THE APPLICANT.

PLEASE COMPLETE:

- "CERTIFICATION," SECTION G, ON PAGE 7.
- IF CRITERION 1 IS THE ONLY BASIS FOR THE APPLICANT'S REQUEST, SKIP SECTIONS D, E AND F.

Similar information was previously located under Section H of the 5-11 version of the form and was relocated to Section C (of the 05/15 form) to be included as it specifically applies to each criterion for a hardship waiver, for purposes of clarity. The documentation is requested and is necessary to substantiate the applicant's hardship waiver selection. Additional instructions are provided to the applicant to make sure the applicant does not complete unnecessary sections of the form and that the certification is completed.

2. THE ESTATE PROPERTY IS PART OF AN INCOME-PRODUCING BUSINESS, INCLUDING A WORKING FARM OR RANCH, AND RECOVERY OF MEDICAL ASSISTANCE EXPENDITURES WOULD RESULT IN THE APPLICANT LOSING HIS OR HER PRIMARY SOURCE OF INCOME.

PLEASE COMPLETE:

- “APPLICANT’S MONTHLY INCOME,” SECTION D, ON PAGE 6 AND “CERTIFICATION,” SECTION G, ON PAGE 7.
- IF CRITERION 2 IS THE ONLY BASIS FOR THE APPLICANT’S REQUEST, SKIP SECTIONS E AND F.

Similar information was previously located under Section H of the 5-11 version of the form and was relocated to Section C (of the 05/15 form) to be included as it specifically applies to each criterion for a hardship waiver, for purposes of clarity. Section D is referenced here because it requests the applicant’s income information as well as a profit and loss statement from the income-producing business that is required to substantiate the applicant’s hardship waiver selection. Additional instructions are provided to the applicant to make sure the applicant does not complete unnecessary sections of the form and that the certification is completed.

3. THE APPLICANT IS AGED, BLIND, OR DISABLED AND HAS CONTINUOUSLY LIVED IN THE DECEDENT’S HOME FOR AT LEAST ONE YEAR PRIOR TO THE DECEDENT’S DEATH AND CONTINUES TO RESIDE THERE, AND IS UNABLE TO OBTAIN FINANCING TO REPAY THE STATE. THE APPLICANT SHALL APPLY TO OBTAIN FINANCING, FOR AN AMOUNT NOT TO EXCEED HIS OR HER PROPORTIONATE SHARE OF THE CLAIM, FROM A FINANCIAL INSTITUTION AS DEFINED IN PROBATE CODE SECTION 40. THE APPLICANT SHALL PROVIDE THE DEPARTMENT WITH A DENIAL LETTER(S) FROM THE FINANCIAL INSTITUTION.

PLEASE SUBMIT:

- PROOF THAT THE APPLICANT IS AGED (65 YEARS OR OLDER), BLIND, OR DISABLED WITHIN THE MEANING OF SECTION 1614 OF THE FEDERAL SOCIAL SECURITY ACT (42 USC SECTION 1382C); DOCUMENTATION MAY INCLUDE A SUPPLEMENTAL SECURITY INCOME OR SOCIAL SECURITY DISABILITY INSURANCE AWARD LETTER, ETC., **AND**
- PROOF THAT THE APPLICANT LIVED IN THE DECEDENT’S HOME FOR AT LEAST ONE YEAR PRIOR TO THE DECEDENT’S DEATH; DOCUMENTATION MAY INCLUDE A UTILITY BILL, BANK STATEMENT IN APPLICANT’S NAME, ETC., **AND**
- PROOF THAT THE APPLICANT CONTINUES TO RESIDE IN THE DECEDENT’S HOME; DOCUMENTATION MAY INCLUDE A UTILITY BILL, BANK STATEMENT IN THE APPLICANT’S NAME, ETC., **AND**
- A DENIAL LETTER FROM A FINANCIAL INSTITUTION (A BANK, SAVINGS AND LOAN, CREDIT UNION, ETC.) FOR THE APPLICANT’S SHARE OF THE CLAIM OR THE APPLICANT’S SHARE OF THE ESTATE, WHICHEVER IS LESS.

PLEASE COMPLETE:

- “CERTIFICATION,” SECTION G, ON PAGE 7.
- IF CRITERION 3 IS THE ONLY BASIS FOR THE APPLICANT’S REQUEST, SKIP SECTIONS D, E AND F.

Similar information was previously located under Section H of the 5-11 version of the form and was relocated to Section C (of the 05/15 form) to be included as it specifically applies to each criterion for a hardship waiver, for purposes of clarity. This documentation is requested and is necessary to substantiate the applicant’s hardship waiver selection. Additional instructions are provided to the applicant to make sure the applicant does not complete unnecessary sections of the form and that the certification is completed.

4. THE APPLICANT PROVIDED CARE TO THE DECEDENT FOR TWO OR MORE YEARS THAT PREVENTED OR DELAYED THE DECEDENT’S ADMISSION TO A MEDICAL OR LONG-TERM CARE INSTITUTION. THE APPLICANT MUST HAVE RESIDED IN THE DECEDENT’S HOME DURING THE PERIOD CARE WAS PROVIDED AND CONTINUE TO RESIDE IN THE DECEDENT’S HOME. THE APPLICANT MUST PROVIDE WRITTEN MEDICAL SUBSTANTIATION FROM A LICENSED HEALTH CARE PROVIDER(S), WHICH CLEARLY INDICATES THAT THE LEVEL AND DURATION OF CARE PROVIDED PREVENTED OR DELAYED THE DECEDENT FROM BEING PLACED IN A MEDICAL OR LONG-TERM CARE INSTITUTION.

PLEASE SUBMIT:

- WRITTEN MEDICAL SUBSTANTIATION FROM A LICENSED HEALTH CARE PROVIDER(S) STATING THAT THE APPLICANT PROVIDED CARE TO THE DECEDENT FOR TWO OR MORE YEARS THAT PREVENTED OR DELAYED THE DECEDENT’S ADMISSION TO A MEDICAL OR LONG-TERM CARE INSTITUTION; **AND**
- PROOF THAT THE APPLICANT RESIDED IN THE DECEDENT’S HOME AND CONTINUES TO RESIDE IN THE DECEDENT’S HOME; DOCUMENTATION MAY INCLUDE A UTILITY BILL, BANK STATEMENT IN THE APPLICANT’S NAME, ETC.

PLEASE COMPLETE:

- “CERTIFICATION,” SECTION G, ON PAGE 7.
- IF CRITERION 4 IS THE ONLY BASIS FOR THE APPLICANT’S REQUEST, SKIP SECTIONS D, E AND F.

Similar information was previously located under Section H of the 5-11 version of the form and was relocated to Section C (of the 05/15 form) to be included as it specifically applies to each criterion for a hardship waiver, for purposes of clarity. This Documentation is requested and necessary to substantiate the applicant’s hardship waiver selection. Additional instructions are provided to the applicant to make sure the applicant does not complete unnecessary sections of the form and that the certification is completed.

5. THE APPLICANT TRANSFERRED THE PROPERTY TO THE DECEDENT FOR NO CONSIDERATION.

PLEASE SUBMIT:

- DOCUMENTATION TO SUBSTANTIATE THAT THE PROPERTY WAS TRANSFERRED TO THE DECEDENT FOR NO CONSIDERATION. DOCUMENTATION MAY INCLUDE DEED HISTORY, BANK STATEMENTS, MORTGAGE STATEMENTS, ETC.

PLEASE COMPLETE:

- "CERTIFICATION," SECTION G, ON PAGE 7.
- IF CRITERION 5 IS THE ONLY BASIS FOR THE APPLICANT'S REQUEST, SKIP SECTIONS D, E AND F.

Similar information was previously located under Section H of the 5-11 version of the form and was relocated to Section C (of the 05/15 form) to be included as it specifically applies to each criterion for a hardship waiver, for purposes of clarity. This Documentation is requested and necessary to substantiate the applicant's hardship waiver selection. Additional instructions are provided to the applicant to make sure the applicant does not complete unnecessary sections of the form and that the certification is completed.

6A.) THE EQUITY IN THE REAL PROPERTY IS NEEDED BY THE APPLICANT TO MAKE THE PROPERTY HABITABLE.

PLEASE SUBMIT:

- PROOF THAT THERE IS EQUITY IN THE ESTATE REAL PROPERTY; DOCUMENTATION MAY INCLUDE AN APPRAISAL OR COMPARATIVE MARKET ANALYSIS, MORTGAGE STATEMENT, ETC., **AND**
- PROOF THAT THE PROPERTY IS NOT HABITABLE; DOCUMENTATION MAY INCLUDE AN INSPECTION REPORT FROM A LICENSED CONTRACTOR DOCUMENTING THE REPAIRS NEEDED AND ASSOCIATED COSTS TO MAKE THE PROPERTY HABITABLE, ETC.

PLEASE COMPLETE:

- "CERTIFICATION," SECTION G, ON PAGE 7.
- IF CRITERION 6A IS THE ONLY BASIS FOR THE APPLICANT'S REQUEST, SKIP SECTIONS D, E AND F.

6B.) THE EQUITY IN THE REAL PROPERTY IS NEEDED TO ACQUIRE THE NECESSITIES OF LIFE, SUCH AS FOOD, CLOTHING, SHELTER OR MEDICAL CARE.

PLEASE SUBMIT:

- PROOF THAT THERE IS EQUITY IN THE ESTATE REAL PROPERTY; DOCUMENTATION MAY INCLUDE AN APPRAISAL OR COMPARATIVE MARKET ANALYSIS, MORTGAGE STATEMENT, ETC.

PLEASE COMPLETE:

- “APPLICANT’S MONTHLY INCOME,” SECTION D, ON PAGE 6 AND “APPLICANT’S MONTHLY EXPENSES,” “APPLICANT’S VALUE OF ASSETS” AND “CERTIFICATION,” SECTIONS E, F AND G, ON PAGE 7.

Criterion 6 was broken into two parts, Criterion 6A and 6B, because they have different requirements. Under both Criterion 6A and 6B, documentation is requested and necessary to substantiate the applicant’s hardship waiver selection. Similar information was previously located under Section H of the 5-11 version of the form and was relocated to Section C (of the 05/15 form) to be included as it specifically applies to each criterion for a hardship waiver, for purposes of clarity. Under Criterion 6A, additional instructions are provided to the applicant to make sure that the applicant does not complete unnecessary sections of the form. Under Criterion 6B, instructions are included to point the applicant to the other sections on the form that may be completed in addition to criterion 6B. Both Criterion 6A and 6B provide instructions to make sure that the applicant completes the certification.

ITEMS REMOVED/AMENDED FROM SECTION H OF THE APPLICATION, VERSION (5-11):

The entire Section H (“Attachments/Documentation/Certification”) is removed. This information can now be found throughout the application under the various sections, as applicable, and as described throughout this summary of proposed changes.

SECTION D. APPLICANT’S MONTHLY INCOME:

This section requests information regarding the applicant’s monthly income, which was formerly found on Section E of the 5-11 version of the form. This information is still necessary and has been transferred to Section D of the 05/15 form, with minor modifications to condense or clarify the information. Section D is required as specified under Section C, criteria 2 and 6B, which both have a financial component. W&I Code section 14009.5 states that the Department shall waive its claim if it determines that “enforcement of the claim would result in a substantial hardship.” The information and documentation requested provides for a financial assessment of the applicant and will be used by the Department to determine whether the hardship criteria apply to the applicant. The heading further describes that if the applicant is applying only for Section C, criteria 1, 3, 4, 5 or 6A; the applicant does not need to complete this section because this information would not be necessary.

YOUR GROSS PAY

This information is still needed because the Department considers the applicant’s various sources of income when determining whether a hardship exists. “Gross pay” replaced “net pay” as the Department takes into consideration all of the applicant’s resources without contributions to a retirement account, etc.

SPOUSE’S/OTHER ADULT’S GROSS PAY

This information is still needed because the Department considers the applicant’s income and other sources of income when determining whether a hardship exists. “Gross pay” replaced “net pay” as the Department takes into consideration all of the applicant’s

resources without contributions to a retirement account, etc. "Other adult" replaced "registered domestic partner" as the Department takes into account that all adults in the household are potentially contributing to the applicant's household income.

RENTS/CONTRIBUTION PAID TO YOU

This information is still needed because the Department considers the various sources of income when determining whether a hardship exists.

RETIREMENT/ PENSIONS

This information is still needed because the Department considers the various sources of income when determining whether a hardship exists.

SOCIAL SECURITY

This information is still needed because the Department considers the various sources of income when determining whether a hardship exists.

DISABILITY

This information is still needed because the Department considers the various sources of income when determining whether a hardship exists.

PUBLIC ASSISTANCE

This information is still needed because the Department considers the various sources of income when determining whether a hardship exists.

PROFIT FROM YOUR BUSINESS

This information is still needed because the Department considers the various sources of income when determining whether a hardship exists.

COMMISSIONS

This information is still needed because the Department considers the various sources of income when determining whether a hardship exists.

OTHER INCOME (SOURCE): DIVIDENDS, INTEREST, CHILD SUPPORT, ALIMONY, TIPS, ETC.

This information is still needed because the Department considers the various sources of income when determining whether a hardship exists.

TOTAL MONTHLY INCOME

Requests that the applicant total all income sources. This information is still needed because the Department considers the applicant's income when determining whether a hardship exists.

PLEASE SUBMIT:

- COPIES OF MOST RECENT TAX STATEMENTS (IRS FORM 1040, 1040EZ, 1040A); TWO MOST RECENT PAY STUBS FOR EACH ADULT MEMBER OF THE HOUSEHOLD; TWO MOST RECENT RETIREMENT/PENSION STUBS; SUPPLEMENTAL SECURITY INCOME OR SOCIAL SECURITY DISABILITY INSURANCE AWARD LETTER.

This documentation is requested and is necessary to substantiate the applicant's request and financial information as provided under Section D.

ITEMS REMOVED REMOVED/AMENDED FROM SECTION E OF THE APPLICATION, VERSION (5-11):

APPLICANT'S NET PAY (ATTACH TWO MONTHS MOST RECENT PAYSTUBS) (IF NOT MONTHLY, PLEASE INDICATE WEEKLY, BI-WEEKLY, ETC.)

This section is replaced by "Your Gross Pay." Paystubs are requested as described in new Section D above. Gross pay replaced net pay as the Department takes into consideration all of the applicant's resources without contributions to retirement account, etc.

SPOUSE/REGISTERED DOMESTIC PARTNER'S NET PAY (ATTACH TWO MONTHS MOST RECENT PAY STUBS) (IF NOT MONTHLY, PLEASE INDICATE WEEKLY, BI-WEEKLY, ETC.)

This section is amended to read "Spouse's/Other Adult's Gross Pay" as described in new Section D above.

RENT/HOUSEHOLD CONTRIBUTIONS PAID TO APPLICANT (PLEASE PROVIDE RENTAL AGREEMENT)

This information is amended to read "Rents/Contribution Paid to you," for purposes of clarity.

SOCIAL SECURITY/ RETIREMENT/ PENSIONS/ ANNUITIES (ATTACH TWO MOST RECENT STUBS)

This information (Social Security and Retirement/Pensions) is separated for purposes of clarity in new Section D. Annuities that the applicant may own are found in Section F of the 05/15 form.

BUSINESS INCOME (ATTACH PROFIT & LOSS STATEMENT)

This section is amended to read: "Profit from Your business" and documentation is requested as described, at the bottom of new Section D.

DISABILITY (ATTACH AWARD LETTER)

Supporting documentation is now requested as described, in new Section D.

PUBLIC ASSISTANCE (ATTACH AWARD LETTER)

Award letter documentation is now requested, as described, at the bottom of new Section D.

OTHER INCOME (SOURCE)_____

DIVIDENDS, INTEREST, CHILD SUPPORT, ALIMONY, TIPS, COMMISSIONS, ETC.
(ATTACH DOCUMENTATION SUPPORTING OTHER INCOME)

Supporting documentation is now requested as described, at the bottom of new Section D. "Commissions" was removed from the listing of "other income" and now stands alone in new Section D for clarity purposes.

TOTAL INCOME

This section was amended to read: "total monthly income," for purposes of clarity and to be consistent with the title of new Section D.

SECTION E. APPLICANT'S MONTHLY EXPENSES

This section will identify the applicant's monthly expenses, formerly found in Section F of the 5-11 version of the form. Applicants applying under criterion 6B are requested to complete this section. W&I Code section 14009.5 states that the Department shall waive its claim if it determines that "enforcement of the claim would result in a substantial hardship." The information requested will provide for a financial assessment of the applicant and will be used by the Department to determine whether the hardship criteria apply. The heading further describes that if the applicant is applying only for Section C, Criteria 1, 2, 3, 4, 5 or 6A, the applicant does not need to complete this section because this information is not applicable.

MORTGAGE/RENT

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists.

ALIMONY/CHILD SUPPORT

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists.

GROCERIES

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists.

UTILITIES

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists

MEDICAL

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists.

INSURANCE

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists.

AUTO EXPENSES

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists.

TOTAL INSTALLMENT PAYMENTS (CREDIT CARD, STUDENT LOAN, ETC.)

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists. Credit card, student loan payments, etc. are provided as examples of installment payments.

OTHER EXPENSES

This information is still needed because the Department considers the applicant's living expenses when determining whether a hardship exists. This provides the applicant with an opportunity to have a variety of expenses considered.

TOTAL MONTHLY EXPENSES

This information is still needed to show the total of the monthly expenses and is necessary when determining whether a hardship exists.

PLEASE SUBMIT:

- COPIES OF MORTGAGE STATEMENTS OR RENT RECEIPTS.

This documentation is requested and is necessary to substantiate the applicant's request and financial information as stated on the form.

ITEMS REMOVED/AMENDED FROM SECTION F OF THE APPLICATION, VERSION (5-11):

MORTGAGE/RENT (ATTACH COPY OF ANNUAL MORTGAGE STATEMENT/RENT AGREEMENT/RECEIPTS)

Supporting documentation is now requested at the bottom of the section, as described in new Section E above.

ALIMONY/CHILD SUPPORT PAID TO: (PLEASE PROVIDE DOCUMENTATION OF 3 MONTHS OF PAYMENTS)/NAME/ADDRESS/TELEPHONE

The request for documentation, name, address and telephone number specifying to whom alimony/child support was paid has been removed as described previously. The Department reserves the right to request the documentation/source of payment for verification, if necessary.

UTILITIES (ATTACH DOCUMENTATION OF 3 MONTHS OF BILLS)

The request for documentation has been removed as described previously. The Department reserves the right to request the documentation later, if necessary.

MEDICAL (ATTACH COPY OF OUTSTANDING BILLS NOT PAID BY INSURANCE)

The request for documentation has been removed as described previously. The Department reserves the right to request the documentation later, if necessary.

INSURANCE (ATTACH COPY OF STATEMENT FOR AUTO, HEALTH, LIFE, HOMEOWNERS, ETC.)

The request for documentation has been removed as described previously. The Department reserves the right to request the documentation later, if necessary.

AUTO EXPENSES (INCLUDE CAR PAYMENTS, GAS, MAINTENANCE RECEIPTS)
The request for documentation has been removed as described previously. The Department reserves the right to request the documentation later, if necessary.

TOTAL INSTALLMENT PAYMENTS (ATTACH COPY OF STATEMENTS)
The request for documentation has been removed as described previously. The Department reserves the right to request the documentation later, if necessary. The term "Total" is added before "Installment Payments" for clarity purposes.

OTHER EXPENSES (EXPLAIN)_____ (ATTACH DOCUMENTATION SUPPORTING OTHER EXPENSES)
The request for documentation has been removed as described previously. The Department reserves the right to request the documentation later, if necessary.

SECTION F. APPLICANT'S VALUE OF ASSETS

This section identifies an applicant's assets in more detail, including those assets that may not be shown as monthly income in Section D. This section was formerly found in Section G of the 5-11 version of this form, "Applicant's Assets and Debts." The applicant's debts are now found in Section E, "Applicant's Monthly Expenses" of the 05/15 form. The information requested in this section is necessary to provide a financial assessment of the applicant to determine whether the hardship exists under criterion 6B. The heading further describes that if the applicant is applying only for criteria 1, 2, 3, 4, 5 or 6A; the applicant does not need to complete this section because it would not be applicable.

REAL PROPERTY VALUE

This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

CHECKING/SAVINGS ACCOUNT

This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

MONEY MARKET ACCOUNT

This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

CD

This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

STOCKS/BONDS

This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

IRA/401K

This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

LIFE INSURANCE/ANNUITIES: This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

RENTAL PROPERTY

This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

AUTOMOBILES

This information is needed because the Department considers the applicant's personal assets when determining whether a hardship exists.

OTHER ASSETS

This information is still needed because the Department considers the applicant's personal assets when determining whether a hardship exists. This section requires all assets be listed, so an option of "other assets" is included to capture these assets not specified.

TOTAL ASSETS

A space has been provided for "Total Assets," which would be the total sum of the assets under Section F, calculated by the applicant.

ITEMS REMOVED/AMENDED FROM SECTION G OF THE APPLICATION, VERSION (5-11):

REAL ESTATE ADDRESS/MORTGAGE HOLDER/CURRENT MARKET VALUE/MORTGAGE BALANCE

The real property value is requested, as described above; however the mortgage holder, address and mortgage balance was removed. This information is irrelevant and not necessary; other mortgage information that is necessary for determining if a hardship exists is requested in Section E.

BANK ACCOUNTS/NAME OF INSTITUTION AND ADDRESS/ACCOUNT NUMBER/TYPE OF ACCOUNT/BALANCE

The balance of bank accounts is requested, as described above; however the name of institution, address, account number and type of account was removed. This information is irrelevant and not necessary in the determination of a hardship.

LIFE INSURANCE/ANNUITIES/NAME OF COMPANY/POLICY NUMBER

The amount of value for life insurance and annuities is still requested, as described above; however, the name of the company and policy number has been omitted because it is not necessary. Other life insurance information that is necessary for determining if a hardship exists is requested in Section A.

CREDIT CARDS/NAME OF CREDIT CARD, BANK, ETC./TOTAL AMOUNT OWED
Total installment payments are now requested in Section E as an expense (debt); credit cards are named as an example.

MOTOR VEHICLES/YEAR, MAKE AND LICENSE NUMBER/DATE PURCHASED/CURRENT VALUE/LOAN BALANCE
Automobile value is requested in Section F of the 05/15 form. Date purchased, year, make, license number and loan balance have been omitted because this information is not necessary.

SECTION G. CERTIFICATION

The Certification Section is amended to update the language to be consistent with the 05/15 form. The term “statements” is changed to “information” for clarity purposes; “documentation” was added because the documents submitted with the form are necessary to support the information provided on the 05/15 form. Other changes to the Certification Section are as follows:

SIGNATURE OF APPLICANT

The applicant is still required to sign the application, which certifies that the information provided/documentation submitted on the form is true and correct to the best knowledge of the applicant. “Person applying for waiver” was removed after “signature of applicant” as it is unnecessary.

PRINT OR TYPE FULL NAME

The applicant or person completing the application is still required to print or type his or her name to provide the Department with the correct spelling of the applicant’s name.

TELEPHONE NUMBER

The applicant is still requested to enter a telephone number in case additional information is needed.

DATE

The date the application is signed is still needed because the applicant has 60 days from the date of the Department’s notice to apply for a waiver.

SIGNATURE OF PERSON COMPLETING THE FORM (IF DIFFERENT FROM APPLICANT)

If someone other than the applicant completed the application for the applicant, he or she is still required to sign the application which certifies that the statements made on the form have been made to the best knowledge of that person. This was revised to state “if different from applicant” rather than “if different from above” for clarity.

TELEPHONE NUMBER

If someone other than the applicant completed the application for the applicant, he or she is requested to provide his or her telephone number in case additional information is needed.

DATE

If someone other than the applicant completed the application for the applicant, he or she is requested to provide the date the application is signed. This is still needed because the applicant has 60 days from the date of the Department's notice to apply for a waiver.

ITEMS REMOVED FROM THE FORMER CERTIFICATION OF THE APPLICATION, VERSION (5-11):

(PERSON APPLYING FOR WAIVER) was removed after Signature of Applicant because it is redundant.

PRIVACY STATEMENT

The Privacy Statement combines and rearranges two Paragraphs of information formerly found in paragraphs two and three of the former (5-11) version of the application, for clarity purposes. Further, language stating that the information provided in the application will be used to "assess an applicant's financial condition" is removed because it is unnecessary and not completely accurate. Specifically, the information is used in the assessment of various factors to determine an applicant's qualification for a hardship waiver.

ADDITIONAL MATERIALS RELIED UPON

1. State Medicaid Manual (SMM) – SMM, Part 3 – Eligibility, Section 3810, pages 3-9-3, 3-9-5 and 3-9-8, dated January 11, 2001, provides guidance to the states on recovery from permanently institutionalized individuals.

The SMM (§ 3810) is available at:

<http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/r75sm3.pdf>

2. State Plan Amendment (SPA) – TN No. 01-002, 4.17(a), p. 53 (eff. 4-1-01); TN No. 10-009, 4.17(b), p. 53(a) (eff. 10-1-10); TN No. 94-031, 4.17(c), p. 53c (eff. 10/1/94); TN No. 06-011, Attachment 4.17-A, p. 1 (eff. 5-10-08); and TN No. 06-011, Attachment 4.17-D, pp. 5 and 6 (eff. 5/10/08), describe California's policies and procedures for collection on permanently institutionalized individuals.

SPA Nos. 01-002, 10-009, 94-031, and 06-011 are available at:

<http://www.dhcs.ca.gov/formsandpubs/laws/Documents/Section%204.17%20Liens%20and%20Adjustments.pdf>
http://www.dhcs.ca.gov/formsandpubs/laws/Documents/StatePlan_Attachment_4.17-A.pdf

These documents are also available for inspection at the Office of Regulations, at the address noted above, between the hours of 8:00 a.m. and 5:00 p.m.

CONTACT PERSONS

Inquiries regarding the additional proposed changes to the text of the regulations described in this notice may be directed to: Margaret Hoffeditz, Chief, Estate Recovery Section, at (916) 650-0582.

All other inquiries concerning the regulatory action described in this notice may be directed to Lori Manieri, of the Office of Regulations, at (916) 650-6825, or to the designated backup contact person, Kenneisha Moore, at (916) 440-7755.

ASSISTIVE SERVICES

The Department can also provide assistive services such as the conversion of written materials into Braille, large print, audiocassette, or computer disk. To request these assistive services, please call (916) 440-7695 (or California Relay at 711 or 1-800-735-2929), email – regulations@dhcs.ca.gov, or write to the Office of Regulations at the address noted above.

AVAILABILITY OF MATERIAL REGARDING THE REGULATORY ACTION

Materials regarding the regulatory action described in this notice (including this public notice and the additional changes to the text of the proposed regulations) are posted to the Department's Internet site at:

<http://www.dhcs.ca.gov/formsandpubs/laws/regs/Pages/08-012.aspx>