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Department of Health Care Services



ARNOLD SCHWARZENEGGER  
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To: ALL COUNTY WELFARE DIRECTORS LETTER NO: 07-29  
ALL COUNTY ADMINISTRATIVE OFFICERS  
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS  
ALL COUNTY HEALTH EXECUTIVES  
ALL COUNTY MENTAL HEALTH DIRECTORS  
ALL COUNTY PICKLE COORDINATORS

Subject: TREATMENT OF INCOME FROM THE OFFICE OF PERSONNEL  
MANAGEMENT

The purpose of this letter is to provide clarification of the treatment of income received from the Office of Personnel Management (OPM) for the Pickle and the Disabled Adult Child (DAC) federal program.

The OPM administers civil service retirement and pension programs for Federal employees. OPM makes United States Civil Service and Federal Employee Retirement System (FERS) payments because of disability, retirement, or death. U.S. Civil Service and FERS payments made under the OPM for Supplemental Security Income (SSI) purposes are **unearned income** to the entitled retiree or individual survivor.

To determine PICKLE eligibility, the beneficiary's eligibility is based on SSI income rules except that the Title II COLA increases are disregarded. To determine DAC eligibility, the beneficiaries' eligibility is based on SSI income rules except that Children's Insurance benefits under Title II are disregarded. Since OPM benefits are countable unearned income in SSI, these monies must be used in the Pickle and DAC computations.

If you have any questions, please contact Ms. Cecilia Kelley, Medi-Cal Policy Analyst in the Medi-Cal Eligibility Division, at (916) 552-9485 or email Cecilia Kelley at [Cecilia.Kelley@dhcs.ca.gov](mailto:Cecilia.Kelley@dhcs.ca.gov).

**Original signed by**

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