

DEPARTMENT OF HEALTH SERVICES

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November 10, 1992

TO: All County Welfare Directors Letter Letter No., 92-67
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

SUBJECT: CLARIFICATION OF MC 176 PI AND BASIC NOTICE OF ACTION LANGUAGE
CONTAINED IN ALL COUNTY WELFARE DIRECTORS LETTER (ACWDL),
NO. 92-57

The purpose of this letter is to provide counties with needed clarification regarding the use of the MC 176 PI and the basic notice of action language which was contained in ACWDL, No. 92-57.

The MC 176 PI (2/92) is being revised to clarify that:

Line 5: Only the amount of other nonexempt resources are to be included on this line. Line 5 will now read: "Amount of other nonexempt resources available to the institutionalized individual. . . "

Line 8: The amount included on this line shall not exceed the "uncompensated value" indicated on line 4. A line will be added after the sentence at Line 8 that will read: "If more than the amount indicated on line 4, enter only the amount indicated on line 4."

A copy of the revised MC 176 PI is attached and counties should make photocopies of this form until a new supply is available. Revised MC 176 PIs should be available in the warehouse in approximately six weeks. Only 2,000 copies have been ordered because such a small number of cases will require use of this form. Please order only what you expect to use.

The basic notice of action language (ACWDL 92-57) is being clarified to remove the phrase "at the time of the transfer" on the first line of page 3.

This phrase will be eliminated when the basic notice of action language is included in the Medi-Cal Eligibility Manual, Procedures Section. In accordance with ACWDL, No. 91-44, the average private pay rate in effect at the time of institutionalization or application, whichever is most recent is the rate counties must use when determining the period of ineligibility for nursing facility level of care.

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If you have any questions on this issue, please call Sharyl Shanen-Raya at
(916) 657-2942.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

PERIOD OF INELIGIBILITY WORKSHEET

THIS ONLY APPLIES TO TRANSFERS MADE BY INSTITUTIONALIZED INDIVIDUALS
OCCURRING ON OR AFTER JANUARY 1, 1990

- The period of ineligibility can be reduced whenever the institutionalized individual receives additional compensation.
- The period of ineligibility terminates if property is transferred back.

A. DETERMINE THE UNCOMPENSATED VALUE

- | | |
|--|----------|
| 1. Net Market Value of nonexempt resource transferred | 1. _____ |
| 2. Amount of compensation received in excess of encumbrances and closing costs | 2. _____ |
| 3. Uncompensated Value (line 1 minus 2) | 3. _____ |

B. DETERMINE THE UNCOMPENSATED VALUE TRANSFERRED TO ESTABLISH ELIGIBILITY

- | | |
|--|----------|
| 4. Uncompensated Value (from line 3) | 4. _____ |
| 5. Amount of other nonexempt resources available to the institutionalized individual at the time of the transfer. (If applicant is an institutionalized spouse with a community spouse, include nonexempt resources available to the spouse) | 5. _____ |
| 6. Total of line 4 plus line 5 | 6. _____ |
| 7. Enter \$2,000.00 [If applicant is an institutionalized spouse with a community spouse, include the Community Spouse Resource Allowance (CSRA) in effect at the time of the transfer.] | 7. _____ |
| 8. Uncompensated Value which would have resulted in excess property, transferred to establish eligibility (line 6 minus line 7) (If more than the amount in line 4, enter only the amount in line 4) | 8. _____ |

Note: If the remainder is zero or less, there is no property transferred to establish eligibility. DO NOT CONTINUE.

C. PERIOD OF INELIGIBILITY

- | | |
|---|-----------|
| 9. Uncompensated Value transferred to establish eligibility (from line 8) | 9. _____ |
| 10. Amount of applicable Average Private Pay Rate (APPR) | 10. _____ |
| 11. Months of ineligibility (divide line 9 by line 10) | 11. _____ |

NOTE: Period of ineligibility CANNOT exceed 30 months. Round down to the nearest whole number. If the result is less than one, there is no period of ineligibility. DO NOT CONTINUE.

- | | |
|---|-----------|
| 12. Total the number of months between the transfer and the application, or current month if person is a beneficiary. (Begin with the month of the transfer, excluding the month of application or current month if person is a beneficiary.) | 12. _____ |
| 13. Months remaining (line 11 minus 12) | 13. _____ |

If months remaining is zero, person is eligible.

14. If months remaining is greater than zero, period expires on _____ . (Begin with the month of application, or the current month if the person is a beneficiary.)

15. Did the person receive Medi-Cal, for nursing facility level of care, for any month in line 12, prior to the expiration of the number of months in line 11? YES NO

If yes, there is an overpayment for nursing facility level of care in those months.