

DEPARTMENT OF HEALTH SERVICES

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



December 24, 1992

TO: All County Welfare Directors Letter No.: 92-80
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

SUBJECT: Retroactive GAIN Travel Reimbursements Paid Under the Crary v. McMahon Lawsuit

The purpose of this letter is to inform counties that retroactive payments of GAIN travel reimbursements may be paid to Medi-Cal only applicants and recipients as a result of the Crary v. McMahon lawsuit. This lawsuit challenged the State Department of Social Services' (SDSS) policy of not paying Aid to Families with Dependent Children (AFDC) recipients participating in the Greater Avenues for Independence (GAIN) Program for transportation costs the participants incurred to travel to and from their GAIN activities as required. On August 3, 1990, the Court ordered that SDSS and county welfare departments must restore to affected persons all supportive services moneys unlawfully withheld because of transportation expense limitations.

Individuals who were GAIN participants at some time between December 1, 1986 and March 31, 1991, may receive reimbursements under the lawsuit. Since these payments are reimbursements of what was once expended from income or property, these payments are to be considered property in the month of receipt. There is no authority under the court order to exempt these reimbursements from inclusion in the property reserve, therefore they shall be included in the property reserve in the month of receipt.

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

Sincerely,
ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch