

**County of San Diego, Health and Human Services Agency (HHSA)  
Medi-Cal Program Guide**

**Voluntary Repayment of Excess Property – People in Long-Term Care (LTC)**

**Number**  
**9.12**

**Page**  
**1 of 3**

**Revision Date:**

September 1, 2020

**Background:**

This section describes the procedures to follow when a beneficiary in Long-Term Care (LTC) has property that exceeds the property reserve limit.

**Purpose:**

This section is re-written in the new format. No policies or procedures are changed, though procedures are moved to Processing Guide 30.

**Policy:**

**Program Description:**

Medical beneficiaries in LTC whose property is, or will be, in excess of the property reserve for the month may reduce their property reserve to within allowable limits by voluntary repayment to the Department of Health Care Services (DHCS) for services received. This allows the beneficiary to avoid discontinuance of their case, and to receive uninterrupted Medi-Cal benefits. This procedure does not limit the beneficiary's right to spend their property in any way they wish.

Under this program, voluntary repayment of excess property for medical services received is appropriate when all the following apply:

- The person is a current Medi-Cal beneficiary
- The beneficiary is in LTC
- The property exceeds or will exceed the property limit in the month
- The beneficiary or the Representative wishes to participate in the voluntary repayment program.

Note: Income received in a month, whether it is deposited in a checking or savings account, is not counted as property in the month of receipt or in determining whether the property exceeds the limit. See MPG 9.1 for differentiation of income and property.

**Responsibilities:**

**Change in Property:**

The beneficiary or the Representative is responsible for reporting any change in property to the County within 10 days of the change.

**Determine Amount of Excess Property:**

Evaluate the source and amount of all non-exempt property held by the beneficiary. It must be determined at what point in time and by what amount the property will or does exceed the limit. Complete Form MC 176P and image in the case record to document this evaluation.

**Explain Reduction of Excess Property:**

Whenever a beneficiary in LTC has property that is within \$300 of or exceeds the property limit, review all methods of reduction of property that will not result in ineligibility. All methods are to be explored and reviewed with the beneficiary or Representative prior to suggesting voluntary repayment. MPG 9.1 reviews the reduction of property requirements. If the beneficiary or

**County of San Diego, Health and Human Services Agency (HHSA)  
Medi-Cal Program Guide**

**Voluntary Repayment of Excess Property – People in Long-Term  
Care (LTC)**

**Number**  
**9.12**

**Page**  
**2 of 3**

Representative chooses not to dispose of the excess property, explain the voluntary repayment procedure.

**Obtain Beneficiary's Choice of Reduction:**

It is the beneficiary's choice whether to make repayment to DHCS General Collections Section.

1. If the beneficiary chooses not to dispose of excess property and chooses not to make the voluntary repayment, take appropriate steps to discontinue/deny the Medi-Cal case when the beneficiary's property reserve exceeds the property limit, and compute any overpayment in accordance with MPG 16.2.
2. Document the method of disposition of excess property selected by the beneficiary, as well as the amount agreed to, in Case Comments.

**Effective Date of Voluntary Repayment:**

The effective date of the voluntary repayment is determined by the beneficiary's statement to the County. The date that the beneficiary states the payment was mailed to the General Collections Section is considered the date that the excess property was reduced.

**Recomputation:**

Recompute the property status of the beneficiary upon notification by the beneficiary or Representative that the voluntary repayment has been made.

**Discrepancies in Effective Date:**

If there is significant discrepancy between the reported date of payment and the acknowledged date of receipt by the General Collections Section, resolve the time difference between the parties involved.

**Case Documentation:**

Document any explanation of time difference in Case Comments.

**Follow-Up Alert:**

When notified by DHCS that the beneficiary has made a voluntary repayment, set a Case Alert to reevaluate the property value in the month preceding the date the property limit is expected to be met or exceeded, if appropriate.

**Payment Not Received:**

If the beneficiary has not made voluntary repayment within 30 days, contact the beneficiary or Representative to determine if there is good cause for failure to repay. Good cause would include the beneficiary's or Representative's mental or physical inability to act. If there is no good cause and property exceeds the limit, deny or discontinue the case. Send a denial or discontinuance Notice of Action (NOA).

**Overpayment Computation:**

Even though a beneficiary agrees to make a voluntary repayment, an overpayment may have occurred. Review MPG 16.2 to determine if any overpayment has occurred and the procedures to follow. In addition, apply all applicable overpayment regulations and procedures if the beneficiary fails to make the voluntary repayment within the 30-day period.

**County of San Diego, Health and Human Services Agency (HHSA)  
Medi-Cal Program Guide**

**Voluntary Repayment of Excess Property – People in Long-Term  
Care (LTC)**

**Number**  
**9.12**

**Page**  
**3 of 3**

A beneficiary may have, or later be found to have, an overpayment for the same month that they make a voluntary repayment. In that case, the Recovery Branch will use the voluntary repayment to offset the overpayment owed. The Recovery Branch will do the same thing if the overpayment is for a month prior to the month of voluntary repayment.

**Public Guardian Cases:**

The San Diego Public Guardian and DHCS General Collections Section have established the following procedures for the voluntary repayment of excess property:

Notification and Payment to DHCS General Collections Section:

When the Public Guardian determines that the property of a Medi-Cal beneficiary is in excess of the limit, a notice and check are sent to DHCS General Collections Section.

Amount of Voluntary Repayment:

The payment is to be in the amount necessary to reduce the beneficiary's property within a period of six months or until one month following the next annual redetermination, whichever comes first.

**Reestablishing Eligibility:**

When a beneficiary is discontinued due to excess property, voluntary repayment to the General Collections Section to reduce property to within the property limit cannot be used to establish the individual's eligibility for any month prior to the month that the voluntary repayment is made. Eligibility can only be reestablished in the month the property is brought within the property limit.

**Procedure:**

See Processing Guide 30 for the Voluntary Repayment procedures.

**Program Impacts:**

None.

**References:**

Medi-Cal Eligibility Procedures Manual 16I

**Sunset Date:**

This policy will be reviewed for continuance by August 31, 2023

**Approval for Release:**

*Rick Wanne, 9-22-20*

Rick Wanne, Director  
Eligibility Operations