

institution as defined in Probate Code Section 40, and shall provide the Department with a denial letter(s) from the financial institution.

(c)

A voluntary post death lien shall be proposed independent of a decision on an applicant's request for a waiver due to a substantial hardship.

(d)

In addition to the placement of a lien on the real property, the Department shall require that monthly payments be made to the Department of Health Care Services, Estate Recovery Section, MS 4720, P.O. Box 997421, Sacramento, CA 95899-7421. The monthly payments shall be in accordance with the dependent's, heir's, or survivor's financial ability to pay, and shall be adjusted as needed. Monthly payments shall continue until the lien amount owed to the Department by the lienee, plus interest, is paid in full. Payments shall not be required when a dependent's, heir's, or survivor's income is below the federal poverty level.

(e)

The voluntary post death lien will accrue simple interest at the rate of seven percent per annum, and becomes due and payable, including all interest accrued, upon the first to occur of the following:(1) The death of the dependent(s), heir(s), or survivor(s); or, (2) The sale, refinance, transfer, or change in title to the real property; or, (3) Escrow funding; and/or (4) Default in payments.

(1)

The death of the dependent(s), heir(s), or survivor(s); or,

(2)

The sale, refinance, transfer, or change in title to the real property; or,

(3)

Escrow funding; and/or

(4)

Default in payments.

(f)

In the event of a transfer of an interest in, or title to, real property subject to the voluntary post death lien without payment of the lien, the lienholder shall provide notification of the transfer, with the identity and address of the new titleholder(s), by mail to the Department at the address specified in subsection (g), within 30 days of the transfer. The lienholder shall notify the new titleholder(s) of the voluntary post death lien prior to the transfer of title, and the obligation to satisfy the lien pursuant to this Section. The new titleholder(s) shall make arrangement for full satisfaction of the Department's lien with the Estate Recovery Section.

(g)

When the dependent(s), heir(s), or survivor(s) agree to a voluntary post death lien, the Department will prepare and mail the lien documents to the dependent(s), heir(s), or survivor(s) for notarized signature(s). The dependent(s), heir(s), or survivor(s) shall return the notarized documents to the Department of Health Care Services, Estate Recovery Section, MS 4720, P.O. Box 997425, Sacramento, CA 95899-7425. Upon receipt of the lien documents, the Department shall forward the documents to the County Recorder's Office where the property is located for recording of the lien.

(h)

The Department shall issue a release of lien to the County Recorder's Office after full payment of the lien with accrued interest is received.