

# Georgia Medicaid Estate Recovery Program

## INFORMATION GUIDE



### What Is Estate Recovery?

Estate Recovery is a program, required by the federal government in every state, in which the assets of deceased Medicaid members are used to reimburse the taxpayers for long-term care provided through Medicaid. Funds are recovered from the member's estate after his/her death for the cost of these services.

The total gross value of the estate must be valued over \$25,000 for estate recovery to apply. An estate includes all real and personal property (homes, land, vehicles, cash, bank accounts) held individually or jointly. All assets of a deceased Medicaid member are subject to recovery including property held with a life estate interest. The value of the life estate is calculated by using the Life/Remainder Interest table published by the IRS for the month of the decedent's death.

### Who Is Affected By Estate Recovery?

The Estate Recovery Program applies to a person who receives any of the following services paid for by Medicaid:

- A person of any age living in a nursing home;
- A person of any age living in a long-term care program outside their own family's home;
- A person 55 years of age or older who has a worker coming to their home to help them with healthcare needs.

An example would be a nurse who comes to the member's home to help with medications or to change bandages. Another example would be a worker who comes to the members' home to help with bathing, hygiene, or getting dressed.



### Why Does Georgia Have an Estate Recovery Program?

The Medicaid program is a joint federal/state program. Federal law, enacted in 1993, requires states to develop and enforce an Estate Recovery Program. The Department of Community Health (DCH) has the responsibility to recover money paid on behalf of the Medicaid member up to the full amount that Medicaid paid.

This requirement was established by Title XIX of the Social Security Act. To ensure that Georgia complied with the federal requirement for estate recovery, Chapter 111-3-8 of the Rules of the Department of Community Health for Medical Assistance was passed, which establishes and governs the Estate Recovery Program.



### What Medicaid Expenses Must Be Reimbursed?

Qualified expenses incurred by Medicaid on behalf of affected members for any services provided in a long-term care facility or in the home when provided as an alternative to institutionalization must be reimbursed.

**Recoverable in-home services include:**

- Nursing facility services
- Personal care services
- Home and community-based services
- Hospital services
- Prescription drug services





## Are There Any Exceptions to Estate Recovery?

In order to protect the family of the Medicaid member, the following rules must be observed before any money can be collected:

- The Medicaid member must have passed away and the surviving husband/wife must have also passed away. Until both have passed, recovery will be delayed.
- The Medicaid member must not have dependent children younger than 21 years of age. Until the child reaches age 21, recovery will be delayed.
- The Medicaid member must not have any dependent children of any age with a disability or blindness that has been confirmed by a government agency. Recovery will be delayed until the disabled/blind child has also passed.

## What Is an Undue Hardship?



The Medicaid program will waive or delay recovery if an undue hardship exists. The two conditions for an undue hardship are:

- The asset to be recovered is an income-producing farm and the sole income of one or more of the heirs, and the annual gross income is limited to \$25,000 or less;
- Recovery of assets would result in the applicant becoming eligible for governmental assistance based on need and/or medical assistance programs.

If the heir feels he/she could be considered for an undue hardship waiver, a request may be made within 30 days of receiving Medicaid's notice against the estate, or upon the sale, transfer, or conveyance of the real property subject to a TEFRA lien. The Estate Recovery Unit will provide detailed instructions in the Medicaid notice on how to file for an undue hardship waiver.

## How Does Medicaid Pursue Recovery?

Estate Recovery will occur when the State files a statement of claim against the estate of a deceased Medicaid member. Notification will be mailed to the representative of the estate to advise them of the claim. The personal representative should contact the Estate Recovery Unit to receive detailed information about the recovery process.

## What Is a Lien?

“Lien” means a claim, encumbrance, or charge against the Medicaid member's real or personal property on account of medical assistance paid to the member correctly under the State Plan. A lien may be placed on the real property of a member who is an inpatient of a nursing facility, intermediate care facility for the mentally retarded, or other institution; or a lien may be placed on both real and personal property of a member after the member's death.

## How Should Notification Be Given of a Medicaid Member's Death?

The provider, attorney, personal representative, or case manager (if applicable) should contact the Estate Recovery Unit by fax, phone, or mail (see contact information on back of brochure) to provide notification of a member's death within 30 days of death. The initial notification should include:

- Full name of the deceased member;
- Medicaid ID number and/or Social Security number;
- Date of death;
- Name, address, and telephone number of the personal representative and/or attorney handling the estate.

Once notification has been received, the representative and/or attorney will be contacted promptly by DCH and advised in detail on how to proceed with the recovery process.

## Do You Have Questions?

Please call our office for any further assistance.

Phone: 770.916.0328 Fax: 678.569.0066

Georgia Department of Community Health | Estate Recovery Unit | 900 Circle 75 Parkway, Suite 650 Atlanta, GA 30339  
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