

# Medicaid Estate Recovery

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## **High-Level Overview:**

The Medicaid Estate Recovery Program recoups funds from eligible Medicaid participant estates' after the participant passes away. The "clock" for estate recovery starts when the participant reaches the age of 55. The program recovers about 2-3% of what was paid out in eligible claims. There is a 5 year look back period for asset handlings and ownership. The program reviews each case to determine if the case is cost effective to pursue for recovery. The program primarily focuses on the more valuable assets (i.e. houses, bank accounts, land, trusts, etc.). The federal government provides a framework to states on how the program is to operate, but allows each state flexibility with the implementation.

The application for Medical Assistance Services (Medicaid) states:

*If I receive Medicaid after age 55, my estate may be subject to recovery of medical expenses paid on my behalf, and that any transfer of assets may be set aside by a court if I do not receive adequate value.*

## **Examples:**

- Person 1: Female that passes away at age 54 years, 11 months, 3 weeks. The estate recovery program does not apply.
- Person 2: Male that passes away at age 60. The estate recovery program can collect amounts associated between the ages of 55 and 60.

## **Idaho Statutory Authority:**

Section 56-218, Idaho Code (RECOVERY OF CERTAIN MEDICAL ASSISTANCE)

Section 56-218a, Idaho Code (MEDICAL ASSISTANCE LIENS DURING LIFE OF RECIPIENT)

**IDAPA Reference:** 16.03.09.900-909

**Estate as Defined in IDAPA:** All real and personal property and other assets including those in which the participant had any legal or beneficial title or interest at the time of death, to the extent of such interest, including such assets conveyed to a survivor, heir, or assignee of the deceased participant through joint tenancy, tenancy in common, survivorship, life estate, living trust, or other arrangement. (IDAPA 16.03.09.901.04)

**Budget:** The program budget is included in the Medicaid Division base appropriation. All funds received by the program are then used to pay additional claim costs in the overall Medicaid Trustee & Benefit portion of the budget. Any increases to the spending authority of the dedicated receipt appropriation are subject to approval from the Legislature and the Governor.

**10-year History of Actual Expenditures by Fund Source and Costs of Recovery:**

Medicaid Estate Recovery 2005 - 2015						
	Actual Collections	Total Federal Reimbursement	Total State Recovered	Total Expenditures for Recovery Efforts		
SFY 2015	\$ 8,870,200	\$ 6,362,000	\$ 2,508,200	\$ 398,800		
SFY 2014	\$ 9,053,800	\$ 6,471,700	\$ 2,582,100	\$ 385,900		
SFY 2013	\$ 8,535,000	\$ 6,043,500	\$ 2,491,500	\$ 388,800		
SFY 2012	\$ 8,160,200	\$ 5,702,800	\$ 2,457,400	\$ 361,800		
SFY 2011*	\$ 2,409,400	\$ 1,859,600	\$ 549,800	\$ 230,000		
SFY 2010	\$ 6,072,300	\$ 4,808,000	\$ 1,264,300	\$ 274,800		
SFY 2009	\$ 8,175,800	\$ 6,250,200	\$ 1,925,600	\$ 292,000		
SFY 2008	\$ 8,531,700	\$ 5,971,600	\$ 2,560,100	\$ 252,100		
SFY 2007	\$ 9,466,400	\$ 6,650,000	\$ 2,816,400	\$ 255,300		
SFY 2006	\$ 8,792,400	\$ 6,162,400	\$ 2,630,000	**		
SFY 2005	\$ 5,813,300	\$ 4,103,000	\$ 1,710,300	**		
*SFY2011 Collections are lower due to complications with new MMIS implementation.						
**SFY2005 and SFY 2006 unable to determine amount spent on recoveries efforts due program organizational changes.						
Staffing for FY 2007 - FY 2011 was 5.5 FTE			Staffing for FY 2012 - FY 2016 was 7.5 FTE			
Source: Data provided by the Idaho Department of Health and Welfare, Medicaid Division						