

- There is a brother or sister who lived in the home for at least one year before the recipient went into a nursing facility, and who lived in the home continuously since the date of entry into the nursing facility; OR
- There is a son or daughter who lived in the home for at least two years before the recipient entered a nursing facility, whose care allowed the recipient to delay nursing facility placement, and who has lived in the home continuously since the date of entry into the nursing facility.

What if estate recovery would cause a hardship?

The heirs of a Medicaid recipient may submit a request to waive or compromise recovery from the estate on the basis of hardship. Determination of hardship is at the discretion of the Department.

Can the recipient's heirs keep the property in the estate and pay the Department the amount owed instead?

If the heirs wish to retain the property that is in the estate, they may do so as long as they agree to pay the amount that the Department would have otherwise recovered.



Address: 1570 Grant St, Denver, CO, 80203-1818
 Phone: 303-866-2993
 Web: www.colorado.gov/hcpf



COLORADO
 Department of Health Care
 Policy & Financing



Is the Medicaid recipient required to sell a home while they are still alive?

The program does not require a recipient to sell a home. However, the Department may place a lien on the property while the recipient is alive. A lien represents a debt that must be satisfied when the property is sold. A lien secures the Department's interest by ensuring the Department can recover medical costs when the property is sold. A lien does not change ownership of the property. Liens will be used when ALL FIVE of the following conditions are met:

1. The recipient resides in a nursing facility or other medical institution;
2. The recipient owns a home or other real property;
3. The Department determines that the recipient is not likely to return home to the property;
4. The recipient does not have a spouse, child under age 21, or a blind or disabled dependent living in the home; AND
5. The recipient does not have a brother or sister who is part owner of the home and who has lived in the home continuously since at least one year prior to the recipient entering the nursing facility.

Medical Assistance Estate Recovery Program

Learn how estate recovery works, who is affected by it, and other facts about this federally-required program.



What is estate recovery?

Estate recovery is a program to help pay the costs of providing services to people on Medicaid.

Estate recovery is required by federal law.

The Colorado Department of Health Care Policy and Financing (the Department) is responsible for administering estate recovery.

Who will be affected by this program?

Any Medicaid recipient with the circumstances below may be affected. Estate recovery applies to all Medicaid recipients, regardless of their program type or category of eligibility (for instance, MAGI clients may be affected).

The Department may:

- Recover payments made for all medical assistance paid on behalf of an individual who was institutionalized at the time he/she received medical assistance
- Recover the costs of medical assistance provided for nursing facility care, home and community-based services, and related hospital and prescription drug services (for persons age 55 and older at the time they received medical assistance)

What costs will be recovered by this program?

For institutionalized recipients, all payments made by Medicaid will be recovered. Payments include, but are not limited to,

payments made to providers and capitation fees paid on behalf of the client.

For recipients age 55 and older at the time they received medical assistance, recovered costs are limited to nursing facility services, home and community-based services, and related hospital and prescription drug services.

How does estate recovery work?

The Department will file a claim against the estate of the deceased Medicaid recipient. The estate of the recipient will include all of the property (personal and real) that is left when the recipient passes away. Proceeds from the sale of the property in the estate will be used to reimburse the Department for medical assistance provided on behalf of the recipient.

Will any estates be exempt from recovery?

The Department will not recover from a deceased recipient's estate if:

- The deceased Medicaid recipient is survived by a spouse, child under age 21, or a blind or disabled dependent; OR



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Benefits Coordination, Legal Division
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MEDICAL ASSISTANCE ESTATE RECOVERY PROGRAM

A. What is estate recovery?

Estate recovery is a program to help pay the costs of providing services to people on Medicaid. Estate recovery is required by federal law. The Colorado Department of Health Care Policy and Financing (the Department) is responsible for administering estate recovery.

B. Who will be affected by estate recovery?

- 1) The Department may recover payments made for all medical assistance paid on behalf of an individual who was institutionalized at the time he/she received medical assistance; OR,
- 2) For persons age 55 and older at the time they received medical assistance, the Department may recover the costs of medical assistance provided for nursing facility care, home and community based services, and related hospital and prescription drug services.

Any Medicaid recipient with the circumstances listed above may be affected. Estate recovery applies to all Medicaid recipients, regardless of program type or category of eligibility (e.g. MAGI clients may be affected).

C. What costs will be recovered by the estate recovery program?

For institutionalized recipients, all payments made by Medicaid will be recovered. Payments include, but are not limited to, payments made to providers and capitation fees paid on behalf of the client.

For recipients age 55 and older at the time they received medical assistance, recovered costs are limited to nursing facility services, home and community-based services, and related hospital and prescription drug services.

D. How does estate recovery work?

The Department will file a claim against the estate of a deceased Medicaid recipient. The estate of the recipient will include all of the property (personal and real) that is left when the recipient passes away. Proceeds from the sale of the property in the estate will be used to reimburse the Department for medical assistance provided on behalf of the recipient.



E. Will any estates be exempt from recovery?

The Department will not recover from a deceased recipient's estate if:

- 1) The deceased Medicaid recipient is survived by a spouse, child under age 21, or a blind or disabled dependent; OR,
- 2) There is a brother or sister who lived in the home for at least one year before the recipient went into a nursing facility, and who lived in the home continuously since the date of entry into the nursing facility; OR,
- 3) There is a son or daughter who lived in the home for at least two years before the recipient entered a nursing facility, whose care allowed the recipient to delay nursing facility placement, and who has lived in the home continuously since the date of entry into the nursing facility.

F. What if estate recovery would cause a hardship?

The heirs of a Medicaid recipient may submit a request to waive or compromise recovery from the estate on the basis of hardship. Determination of hardship is at the discretion of the Department.

G. Can the recipient's heirs keep the property in the estate and pay the Department the amount owed instead?

Yes. If the heirs wish to retain the property that is in the estate they may do so as long as they agree to pay the amount that the Department would have otherwise recovered.

H. Does the program require a Medicaid recipient to sell a home while they are still alive?

No. The program does not require a recipient to sell a home. However, the Department may place a lien on the property while the recipient is alive. A lien represents a debt that must be satisfied when the property is sold. A lien secures the Department's interest by ensuring the Department can recover medical costs when the property is sold. A lien does not change the ownership of the property. Liens will be used when ALL five of the following conditions are met:

- 1) The recipient resides in a nursing facility or other medical institution.
- 2) The recipient owns a home or other real property.
- 3) The Department determines that the recipient is not likely to return home to the property.
- 4) The recipient does not have a spouse, child under age 21, or a blind or disabled dependent living in the home; and,
- 5) The recipient does not have a brother or a sister who is part owner of the home and who has lived in the home continuously since at least one year prior to the recipient entering the nursing facility.

If a nursing facility resident is discharged from the facility and returns home to live, the Department will remove any lien it has placed on the recipient's home or other property.

Questions or concerns should be directed to Health Management Systems ("HMS") at 303-837-8293.





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**MEDICAID ESTATE RECOVERY PROGRAM
NOTIFICATION OF MEMBER REAL ESTATE OWNERSHIP**

Property owned by an applicant for Medicaid benefits is to be identified at the time of Medicaid application. If the applicant is applying for or receiving benefits from the Medicaid Program, this document must be completed. Property to be reported on this notification should include:

- The principal residence owned solely or jointly by the Medicaid applicant.
- Any subsequent properties in the State of Colorado owned solely or jointly by the Medicaid applicant.
- Any out-of-state property owned solely or jointly by the Medicaid applicant.
- Property previously owned solely or jointly where an applicant's interest has been transferred in any way (including the addition of any names to the title) within the last five (5) years.

The _____ County Department of Social Services has been informed that

_____ / _____ owns solely, jointly, or has transferred
Members Name Members State ID#

his/her ownership interest on the following properties. These properties may be subject to the TEFRA lien and estate recovery provisions defined in the Colorado Revised Statute 25.5-4-302.

Primary Property Owner(s) : _____
(as defined on Title)

Joint Ownership Yes or No Date of Transfer or change in Title _____

Primary Address: _____

Secondary Property Owner(s): _____
(as defined on Title)

Joint Ownership Yes or No Date of Transfer or change in Title _____

Secondary Address: _____

Please use additional forms to indicate additional properties owned by the applicant/client.

Signature or mark of Applicant/Member or their Representative

Date

This information will be reported to the Colorado Estate Recovery Program. Refusal to sign by the applicant, member, or his/her representative does not negate the Department's ability to pursue an Estate Recovery claim.

