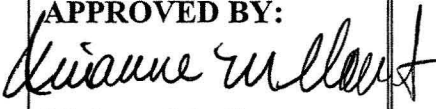


Colorado Department of Health Care Policy and Financing 1570 Grant St., Denver, CO 80203-1818	NUMBER: HCPF 04-018.1
	CROSS REFERENCE:
DIVISION OR OFFICE: Medical Assistance Office	DATE: August 31, 2004
SUBJECT AREA: Medicaid Eligibility	
SUBJECT: Beneficiary Deeds and Medicaid Eligibility	APPROVED BY: 
TYPE: P - Procedure	Vivianne M. Chaumont

*HCPF Agency Letters can be accessed online at:
www.chcpf.state.co.us >>Reference Material >>Agency Letters*

Purpose:

The purpose of this agency letter is to rescind and correct agency letter HCPF 04-018, Beneficiary Deeds and Medicaid Eligibility. Paragraph three (3) of agency letter HCPF 04-018 incorrectly stated that “an applicant for or a recipient of Medicaid ... shall be entitled to medical assistance if the person has in effect a beneficiary deed.” This agency letter modifies and corrects the above statement to read “an applicant for or a recipient of Medicaid ... shall NOT be entitled to medical assistance if the person has in effect a beneficiary deed.”

Background:

The General Assembly passed legislation that allows an owner of real property to record a beneficiary deed that will convey the real property effective on the death of the owner, Section 15-15-401, et seq., C.R.S.

This legislation states that a person who is an applicant for or a recipient of Medicaid for which it would be permissible for the Department of Health Care Policy and Financing to assert a claim pursuant to Section 26-4-403 or 26-4-403.3, C.R.S., shall not be entitled to medical assistance if the person has in effect a beneficiary deed. The execution of a beneficiary deed by an applicant for or recipient of Medicaid causes the property to be considered a countable resource.

Procedure or Information:

The execution of a beneficiary deed by an applicant for or a recipient of Medical Assistance shall cause the real property, conveyed by the beneficiary deed, to be considered as a countable resource for Medicaid eligibility purposes.

This transfer or conveyance of real property by beneficiary deed is not subject to the three (3) year look back period for transfers. This property shall be considered a countable resource as long as it is subject to an executed beneficiary deed.

The principal place of residence, which is subject to estate recovery, becomes a countable resource upon the execution and recording of a beneficiary deed. The exemption can be regained if a revocation of a beneficiary deed is executed and recorded.

Beneficiary deeds and other types of real property transfers must be recorded with the Clerk and Recorder in the County where the real property is located. During the Medicaid application process and the Medicaid re-determination process the County Department of Social/Human Services shall confirm the ownership of real property of the applicant or client and shall verify that ownership has remained consistent with Medicaid eligibility rules and regulations and that no beneficiary deed is in effect.

The rule changes are at 10 CCR 2505-10, §8.110.51.A.1.f and §8.110.51.B.4.

Effective Date:

August 4, 2004

Contact Persons:

Marianne Towey (303) 866-5410
Benefits Coordination Section
marianne.towey@state.co.us
-Transfers

Mark Seevers (303) 866-5406
Benefits Coordination Section
Mark.seevers@state.co.us
- Estate Recovery