



## Estate Recovery Overview

### Definition of Estate Recovery

Estate recovery is a process required by the federal government for states to seek reimbursement for Medicaid (MaineCare, in Maine) benefits from the estates of deceased Medicaid recipients. MaineCare seeks recovery for the cost of all MaineCare benefits that were provided if the recipient was age 55 and older at the time of death, except for Medicare Savings Program beneficiaries.

### Seeking Estate Recovery

All of the following must be true for MaineCare to seek recovery. The MaineCare member must:

- ✓ Have received MaineCare when they were age 55 or older
- ✓ Have no surviving spouse
- ✓ Have no children who are under age 21
- ✓ Have no disabled children of any age

### Recoverable Property

The following are examples of types of property subject to recovery by MaineCare:

- ✓ A home
- ✓ Land
- ✓ Automobiles of significant value
- ✓ Recreational vehicles such as boats, campers, motorhomes, and All Terrain Vehicles (ATVs)
- ✓ Liquid assets such as bank accounts, stocks, bonds, and annuities

Only the amount of MaineCare's cost for past medical expenses is subject to recovery. For example, if an estate is worth \$150,000 and MaineCare costs were \$20,000, then MaineCare would seek to recover \$20,000, not the value of the whole estate.

Before MaineCare begins collecting from an estate, the heirs may ask to make voluntary payments to MaineCare. These payments must be approved by the Department.

### Not Subject to Estate Recovery

The following may not be recovered:

- ✓ Estates of \$20,000 or less with surviving children of any age for members who passed on or after September 1, 2019
- ✓ \$15,000 family allowance if there is a surviving child of any age for members who passed on or after September 1, 2019

- ✓ Estates of \$10,000 or less in value, for members with surviving children of any age for members who passed prior to September 1, 2019
- ✓ \$7,000 family allowance if there is a surviving child of any age for members who passed prior to September 1, 2019
- ✓ Reasonable funeral expenses
- ✓ Attorneys' fees
- ✓ Probate court costs
- ✓ Upkeep of property (e.g. taxes, insurance, repairs to property to make it marketable)
- ✓ Personal representative fees for handling the estate, up to \$3,000

## **Waivers from Recovery**

Maine offers two options for MaineCare members to ask for a waiver from full estate recovery of MaineCare payments. The amount of waiver granted is subtracted from the value of the estate assets.

These two waivers options are:

### **Care Given Waiver**

Heirs who provided care for the MaineCare member while living in the member's home for at least two years prior to the member being admitted to a long-term care facility or death may seek a waiver from recovery. The heir must have an income below 200% of the federal poverty level.

The amount waived from recovery depends on the level and type of home care provided. For each of the two years:

- \$6,000 is waived for basic help at least three times a week with transportation, housekeeping, appointments, and daily in-home personal care.
- \$12,000 is waived for care that includes the above plus dispensing medication, changing dressings, and bathing.
- \$32,000 is waived if the level of care provided is like care provided in an institutional setting.

### **Hardship Waiver**

If estate recovery will create a hardship, heirs may request a hardship waiver. The heirs' income and assets combined must be below 180% of the federal poverty level, and they must have lived in the member's home for a period of at least two years prior to the member's death.