

JULY 08, 2011

MICHIGAN BEGINS MEDICAID ESTATE RECOVERY

Michigan's Department of Community Health will enforce Michigan's Medicaid Asset Recovery Act (MCL Sec. 400.112g) with efforts starting July 1, 2011. Michigan may file claims in the probate estates of individuals age 55 or older who received Medicaid benefits that paid for long term care services after September 30, 2007. Michigan's claim would seek reimbursement for the expenses paid by Michigan for the deceased individual's long term care services. Michigan may also file claims in the probate estates of the surviving spouse of a Medicaid recipient.

Michigan will likely seek recovery from an estate if an individual owned a residence that was exempt from Medicaid requirements when the individual applied for and qualified for Medicaid benefits. When a Medicaid beneficiary age 55 or older dies, Michigan will send an estate recovery notice to the estate's representative or heirs. The estate recovery notice will tell them that Michigan plans to file a claim and how much Michigan will claim. Some exceptions and hardship waivers are available to avoid Michigan's recovery of assets in some circumstances. Michigan has contracted with Health Management Services, Inc. to pursue Michigan's estate recovery claims.

Michigan has a website (www.michigan.gov/estater recovery) and a [brochure](#) on this topic.

Long term care facilities should keep Michigan's new efforts in mind as they consider collecting their receivables that are due from deceased residents. Facilities will want to ensure that they have settled payment issues before a resident dies, as Michigan will be more active in collecting from estates and asserting their claims.

If you have questions about this matter, please contact Sean Fahey at (317) 977-1472 ,Todd J. Selby at (317) 977-1440 or your regular Hall Render attorney.