

INDIANA MEDICAID ESTATE RECOVERY - UPDATE - INDIANA SIGNS CONTRACTS WITH LAW FIRMS TO PURSUE COLLECTION FROM ESTATES

Recently, the Indiana State Department of Administration, on behalf of Indiana's Family and Social Services Administration (FSSA), signed contracts with four law firms for Indiana Medicaid estate recovery. FSSA divided the contracts into three regions: Northern Indiana, Central Indiana, and Southern Indiana. Cases will be assigned by Indiana's Office of Medicaid Policy and Planning staff to the respective law firms for filing claims in probate estates, filing petitions for opening an estate and appointment of an administrator, filing liens on real property, and pursuing non-probate assets. It appears Indiana plans to get much more aggressive in Medicaid estate recovery, including opening probate estates.

Indiana reportedly recovered over \$9,700,000 from recipients in 2007.

The Indiana Medicaid estate recovery statute is found at I.C. Sec. 12-15-9-1. Indiana's Medicaid estate recovery laws allow FSSA to collect from probate estate assets, as well as from the non-probate estate assets of a deceased recipient. There can be no estate recovery while a surviving spouse or minor is living. Indiana also has lien laws that allow Medicaid to place liens on real estate owned by a Medicaid recipient.

Long term care facilities should keep Indiana's renewed estate recovery focus 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 Medicaid will be more aggressive in opening estates and asserting their priority claim.

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