

Frequently Asked Questions

What is an estate?

An estate, for the purpose of Medicaid Estate Recovery, is the net worth of a former Medicaid recipient who has died. This means the total of their assets less their liabilities.

What does probated mean?

A probated estate is an estate that is administered and processed through the legal system after death.

Does DHHS place liens on property?

DHHS may be a creditor with a claim against the assets of the decedent, but it does not place liens on specific property for purposes of Medicaid Estate Recovery.

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DEPT. OF HEALTH AND HUMAN SERVICES

DHHS - Estate Recovery

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MEDICAID ESTATE RECOVERY

**Reduces costs by recovering
payments from the estates of
former Medicaid recipients.**

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Does everyone have an estate?

For purposes of Medicaid Estate Recovery, everyone who dies has an estate. An estate includes all personal and real property that is left when a person dies. An estate can be probated or non-probated.

What is Medicaid Estate Recovery?

Medicaid Estate Recovery was established by State and Federal law to recover costs of medical assistance paid by the Nebraska Medicaid Program from the estates of certain former Medicaid recipients.

Medicaid Estate Recovery works with the families, the courts, and attorneys to help recover funds. Recoveries assist in funding the Nebraska Medicaid Program.

How does DHHS recover funds?

When a client is determined eligible for Medicaid, they often have resources which are excluded from their eligibility determination until their death. After their death, Estate Recovery will review available assets, surviving heirs, estate documents, claims data, and other information to determine the amount Medicaid should receive prior to the distribution of the decedent's assets.

When DHHS receives a notice of death, an "Asset Form for Non-Probated Estates" and letter explaining the process are sent to the decedent's contact person (usually a family member). From the information returned, DHHS will determine a recovery amount, if any, and request payment.

If the estate is probated, DHHS will file a creditor's claim in the applicable County Court.

Who may be affected by Estate Recovery?

Anyone who received medical assistance from the Nebraska Medicaid Program after the age of 55 may be subject to Estate Recovery.

However, no recovery is pursued until the client and his/her spouse have both died.

Does Estate Recovery affect a recipient's eligibility or benefits?

No. Estate Recovery does not affect the Medicaid eligibility of a living recipient. Nor does it affect the benefits available to a recipient.

However, the current \$4,000 disregard for Medicaid eligibility determination only applies during the life of the recipient. Upon death, those funds are a part of the assets of the estate and may be subject to recovery.

Are any estates exempt from the program?

Yes. DHHS may NOT recover costs of medical assistance when:

- 1) Medical assistance was provided to a person under the age of 55; OR
- 2) The deceased recipient of services is survived by a spouse, a child under 21 or a dependent regardless of age who is blind or permanently disabled.

Are there other exemptions if Estate Recovery would cause hardship?

Yes. DHHS will not recover funds from an estate if DHHS determines that doing so would cause an undue hardship for the heirs.

Heirs may ask to have Estate Recovery waived or adjusted based on specific conditions.



For details, see Neb. Rev. Stat. §68-919 and 471 NAC 38-004 (Nebraska Administrative Code Title 471 Chapter 38-004).

For more information, contact:

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