



Alabama Medicaid Agency

Estate Recovery Presentation
Effective April 2016

Estate Recovery

- What is the Estate Recovery Program?
 - Established under federal law, this program requires the Alabama Medicaid Agency to recover the costs paid by the Agency from the estates of deceased Medicaid recipients.
- Who does it affect?
 - A person of any age permanently residing in a nursing facility, intermediate care facility for the intellectually disabled, or other medical institutions; and
 - A person 55 years of age or older who received medical assistance for any services covered under the Alabama Medicaid State Plan (this includes any individual receiving Home and Community based services).
- When does Estate Recovery occur?
 - Estate Recovery happens only after the death of a person receiving Medicaid benefits under the affected categories.

Qualified Income Trust

- Current Issues
 - Trustee's Name and Address
 - Expenses allowed after death
 - Notifying Estate Recovery timely to ensure payback
 - Nursing Home letters regarding credits or refunds (see handout)
 - If the account is no longer needed (due to decrease in income or discharge), please have QIT account closed



Nursing Home Credit Balances

- All credit balances on the nursing home's Accounts Receivable books (for Medicaid recipients) should be refunded to the Agency unless the following:
 - Family paid for expenses not covered by Medicaid
 - This does **NOT** include a patient's liability amount
 - If facility is the payee representative over a source of income and receives the funds **AFTER** the Medicaid recipient passes away

Patient/Resident Trust Accounts

- Administrator of Estate Designation Form
 - Instructions for completing form are provided.
 - The primary and secondary beneficiaries must be a blood relative of the Medicaid recipient.
 - If the Medicaid recipient is unable to sign the form, a person with legal authority (i.e. Power of Attorney, etc.) can sign on their behalf. A Medicaid sponsor is not necessarily the legal authority.
 - The form must be witnessed by **two** individuals over the age of 18.
- Questions and Answers for Nursing Home Alert
 - This information is located on the Agency's website under:
 - Providers → Frequently Asked Questions → Nursing Home FAQ

Special Needs Trust

- All Special Needs Trust submitted to the District Offices at application are required to be sent to the Office of General Counsel for review.
 - Please Note: Our Estate Recovery Contractor, HMS, also reviews selected Special Needs Trust documents. We will forward them to their office as needed.
- Yearly reviews of these trust accounts (excluding QITs and the Alabama Family Trust) will be conducted by HMS once the accounting program is finalized and approved by the Agency.
 - Please do not send any accountings of trust accounts until you have been notified by the Alabama Medicaid Agency of this requirement.

Death Notifications

- Nursing homes have a responsibility to report the death of a Medicaid recipient to the District Office.
- Please report these deaths as soon as possible to ensure that proper notification to our office is received in order to handle all estate recovery efforts timely.
- You are welcome to call or email Codie Rowland with a list of Medicaid recipients who have passed away. Just provide their names, Medicaid numbers & date of death.
- If you notify our office, we will notify the District Office.



Questions?

- Visit www.medicaid.alabama.gov for additional information regarding Estate Recovery and Liens.
- Please feel free to contact us directly as well.
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 - Office: (334) 242-5304 Email: Cynthia.Byrd@Medicaid.Alabama.Gov
 - Codie Rowland Medicaid Eligibility Supervisor Estate Recovery
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