

# **CHANGE NOTICE FOR MANUAL NO. 17-10, ESTATE RECOVERY**

**DATE: 10-26-2010**

**Manual:** Aged, Blind, and Disabled Medicaid

**Change No:** 17-10

**To:** County Directors of Social Services

**Effective:** 11/01/2010

## **I. BACKGROUND**

The Omnibus Budget reconciliation Act of 1993 mandates that the state recover certain Medicaid payment from the estates of deceased Medicaid recipients. In July 1994, the North Carolina General Assembly passed G.S. 108A-70.5 to implement an estate recovery program effective October 1, 1994.

Effective 11/01/2010, a new policy section is added to the Aged, Blind, and Disabled Medicaid Manual regarding Estate Recovery. This change includes policy and procedures from DMA Administrative Letter No. 23-96 issued May 3, 1996 and all subsequent addenda; DMA Administrative Letter No. 12-03 issued October 22, 2002, and Administrative Letter No. 09-05 issued May 2, 2005. These administrative letters are obsolete by this change notice.

## **II. CONTENT OF CHANGE**

New Manual section MA-2285, Estate Recovery, implements policy mandated by North Carolina General Assembly G.S. 108A-70.5. The new manual section consists of the following policy and procedures.

- A. Notification procedures when a recipient applies for Long Term Care or CAP services.**
- B. Instructions when determining if a Medicaid applicant/recipient is residing in a facility on a “permanent or indefinite” basis.**
- C. Estate recovery procedures when the recipient dies. This includes instructions for SSI recipients.**

**D. Policy regarding waivers to Estate Recovery and claims of Undue Hardship.**

**E. [DMA-5051](#), Your Estate May be Subject to Medicaid Recovery, is revised to reflect current Estate Recovery notification procedures. The notification applies to individuals under age 55 applying for Long Term Care.**

**F. [DMA-5052](#), Your Estate is Subject to Medicaid Recovery revised to reflect current Estate Recovery notification procedures. The notification applies to individuals age 55 and over in all aid programs; including Work First (WFFA) and Special Assistance (SA).**

**G. [DMA-5056](#), Estate Recovery Information Form, revised to include request for information regarding life insurance policies.**

Please note: the DMA-5053, Your Estate is Subject to Medicaid Recovery, has not been revised. The DMA-5053 continues to serve as a notification to individuals under age 55 residing in a medical facility on a permanent or indefinite basis.

**III. EFFECTIVE DATE AND IMPLEMENTATION**

This policy is effective 11/01/2010.

**IV. MAINTENANCE OF MANUAL**

Insert new manual section, [MA-2285, Estate Recovery](#).

If you have any questions, please contact your Medicaid Program Representative.

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Director

(This material was research and written by Ena Lightbourne, Policy Consultant, Medicaid Eligibility Unit)