


MFSRC 2019: Estate Recovery & Money
 What is cost-effective, what does the county keep, and where does it go?

Geneva Finn & Greg Lulic | DHS Special Recovery Unit



DHS Special Recovery Unit | mn.gov/dhs/ma-estate-recovery

Quick Takeaways

- **Advisory Board:**
 - Continues to meet about 4 times per year. Please let us know if you want to be involved or have topic you want discussed.
- **Claims Histories:**
 - Call or email if you have questions about a claims history or if something looks off.
- **MA Estate Recovery Manual:**
 - Continues to be updated/clarified on an as-needed basis. Let us know if you see something that is unclear or seems to be missing.
- **Notice to Commissioner Letters:**
 - We have changed the process. Any Questions?

10/2/2019 DHS Special Recovery Unit | mn.gov/dhs/ma-estate-recovery 4

Life Estate or Joint Tenancy

<p>Joint Tenancy:</p> <ul style="list-style-type: none"> • Recipient is alive: MA Lien • Recipient (and spouse, etc) has died: <ul style="list-style-type: none"> • Established after 8/1/2003: NPC and/or probate • Established before 8/1/2003: <ul style="list-style-type: none"> • Co-owners were married: County can probate and collect. No NPC • Co-owners not married: No claim 	<p>Life Estate:</p> <ul style="list-style-type: none"> • Recipient is alive: MA Lien • Recipient (and spouse) has died: <ul style="list-style-type: none"> • Established after 8/1/2003: NPC and/or probate • Established before 8/1/2003: No recovery
--	--

10/2/2019 Optional Tagline Goes Here | mn.gov/webolteurl 3

Please complain faster!

Greg Lulic: (651) 431-3152

DHS Special Recovery Unit | mn.gov/dhs/ma-estate-recovery

FY 2019 Recovery Report				
-201,010.97	ATKIN COUNTY	-450,380.99	GOODHUE COUNTY	-439,750.83
1,804,251.55	ANDAKA COUNTY	-93,246.42	GRANT COUNTY	-441,791.01
-411,096.73	BECKER COUNTY	-5,250,074.83	HENNEPIN COUNTY	-41,548.81
326,534.36	BETHTAMM COUNTY	-237,953.20	HOLSTON COUNTY	133,474.01
-220,668.42	BENTON COUNTY	65,452.84	HUBBARD COUNTY	30,995.75
-201,173.82	BIG STONE COUNTY	-144,521.96	ISANTI COUNTY	-22,739.79
-175,557.03	BLUE EARTH COUNTY	-366,036.45	ITASCA COUNTY	934,368.99
-275,644.97	BROWN COUNTY	-115,076.05	KANABEC COUNTY	-545,579.88
-473,248.64	CARLTON COUNTY	-300,117.08	KANDIYOHI COUNTY	227,242.02
-324,950.10	CARVER COUNTY	-23,864.68	KOOCHICING	-374,065.31
-227,033.92	CASS COUNTY	-120,250.48	LAC QUI PARLE	-75,069.27
-343,871.55	CHIPPewa COUNTY	85,384.44	LAKE COUNTY	296,353.74
-399,292.73	CHISAGO COUNTY	-2,213.89	LAKE OF THE WOODS CO	-353,098.39
-96,120.17	CLAY COUNTY	-160,485.71	LESQUER COUNTY	-3,097,125.68
-61,786.54	CLEARWATER COUNTY	-47,697.88	LINCOLN COUNTY	-14,687.28
-233,125.08	COOK COUNTY	-180,514.45	LYON COUNTY	-128,113.60
-490,281.59	CROW WING COUNTY	-16,314.35	MAHONOMET COUNTY	-73,335.56
-1,180,216.17	DAKOTA COUNTY	-28,930.29	MARSHALL COUNTY	-529,355.41
-449,844.36	DOUGLAS COUNTY	-161,262.08	MARTIN COUNTY	32,133.61
-295,623.46	DWIGHT COUNTY	67,647.62	MCKEON	82,869.71
-175,083.53	FARIBAULT COUNTY	-171,601.82	MEeker COUNTY	-147,386.92
-392,577.16	FILLMORE	-127,478.50	MILLE LACS COUNTY	-434,050.86
-99,528.50	FREERBORN COUNTY	-713,296.54	MINNESOTA PRairie	73,798.89
				-33,174,265.33

10/2/2019 DHS Special Recovery Unit | mn.gov/dhs/ma-estate-recovery 5

Estate Recovery basics

- Government pays for someone's medical care while the person is alive
- Government is reimbursed from the person's estate when the person dies
- Can only recover for certain programs
- County keeps about 25% of all collections
- Minn. Stat. § 256B.15 controls

Optional Tagline Goes Here | mn.gov/web/bsrurl 6

Estate Recovery: Still a Joint State and County Venture

- County estate recovery: After death
 - All estate recovery is delegated to counties
 - A county recovers on DHS liens when
 - Conditions are ripe for estate recovery
 - County has taken estate recovery action
 - Contact DHS to release lien
- State: Supervised/supported
 - Places MA liens, NPCs
 - Collects on MA liens during life, NPCs and MA liens when the county has not taken action
 - Monitors and collections on special needs trusts and pooled trusts
 - Collects annuities when DHS is the beneficiary

10/2/2019 DHS Special Recovery Unit | ma.gov/dhs/ma-estate-recovery 3

What Recovery Belongs to the County?

- County:
 - Recipient must be dead
 - Personal Property that can be collected through an affidavit of collection
 - Bank accounts
 - POD accounts
 - Retirement accounts
 - Vehicles
 - Annuities and trusts when the state is not the beneficiary
 - And more!
 - Real Property when recovered through probate *(or when the county has made steps toward probate)*

- State:
 - Alive or Dead
 - Alive:
 - MA Liens
 - Dead:
 - Annuities where DHS is the beneficiary
 - Special needs or pooled trusts where DHS is the beneficiary
 - ABL accounts
 - Liens where the county has not begun the probate process:
 - MA Liens
 - NPCs

10/2/2019 Optional Tagline Goes Here | ma.gov/webisteurl 8

What is the real split with collections?

PARTICIPATION RATES	Federal %	State %	County %
AC County Recoveries	50.00	25.00	25.00
AC Estate Recoveries	50.00	40.00	10.00
Estate	50.00	25.00	25.00
Estate (AX) & (NA)	93.00	3.50	3.50

10/2/2019 Optional Tagline Goes Here | ma.gov/webisteurl 9

It all starts with: DeathMatch

- MDH match: Received in your MNIT mailbox
 - Weekly report of all MDH death certificates issued for your county
 - Death certificates usually issues within a couple of days of the death
 - Excel spreadsheet with:
 - Name
 - PMI
 - SSN
 - Date of birth
 - Date of death
 - Last known address
- Minimal Claims history

10/2/2019

DHS Special Recovery Unit | mn.gov/dhs/ma-estate-recovery

5

The image shows a screenshot of an Excel spreadsheet with a header row and approximately 30 rows of data. The columns contain various fields, likely related to death certificates and estate recovery. The data is organized in a structured table format.

10/2/2019

DHS Special Recovery Unit | mn.gov/dhs/ma-estate-recovery

11

Or it all starts with a Notice to Commissioner

- New Notice to Commissioner reply letter tells the parties whether or not the county has a recoverable estate claim for Medical Assistance.
- Interest/no interest letter sent to:
 - Personal representative/attorney
 - All CFRs
- Full Claims history sent to CFRs

10/2/2019

Optional Tagline Goes Here | mn.gov/websteurl

12

Decision Time



Affidavit of for collection

- Estate under \$75,000
- Without real property



Probate:


- Estate over \$75,000 or
- With real property

If the family does not initiate probate, the county will need to do this as a creditor

10/2/2019 Optional Tagline Goes Here | mn.gov/websiteurl 13


Is it worth it? Cost Effectiveness

Federal code only requires Medicaid programs to engage in cost-effective recovery
-What does this mean?



Affidavit of Collection:

Low cost



Probate:

Higher cost, but have the ability to recover attorney's fees and PR fees (if the county initiates)

10/2/2019 Optional Tagline Goes Here | mn.gov/websiteurl 14

Which Cases Do We Recover On?

Under the Minnesota State Plan, recovery must be "cost effective":

Recoverable amount must be more than the anticipated cost of recovery

- The county makes the determination of what is cost effective
- Different calculation for affidavit of collection versus probate;
 - For county initiated probate please consider:
 - County attorney fee comes off the top of the probate
 - County expenses as PR comes off the top of probate
 - Cost of probate versus possible tax forfeiture proceedings

10/2/2019 DHS Special Recovery Unit | mn.gov/dhs/ma-estate-recovery 15

4. Estimated estate liens/debts: _____		Dakota County's Method
5. Estimated net value of estate available for MA recovery: _____		
6. Amount of MA claim: _____ (If Applicable)		
Estate name (decedent's spouse): _____		
DOB of decedent's spouse: _____		
Estimated value of estate assets: _____		
Estimated estate liens/debts: _____		
Estimated net value of estate available for MA recovery: _____		
Amount of decedent's spouse's MA claim: _____		
7. Delinquent property taxes <input type="checkbox"/> Yes <input type="checkbox"/> No If yes: \$ _____		
8. Blight on neighborhood <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		
9. Environmental problems <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		
10. Do family want to be involved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		
11. Investors/Buyers interested in the property? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		
12. City contacted and willing to cooperate in probate? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		
13. Monetary costs for legal action? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		
i. Written Claims <input type="checkbox"/> No <input type="checkbox"/> Unknown		
ii. Initiate Probate <input type="checkbox"/> No <input type="checkbox"/> Unknown		
iii. Petition Allow Sale (Todd) <input type="checkbox"/> No <input type="checkbox"/> Unknown		
14. Time Resource Cost? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		
i. Written Claims <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		
ii. Initiate Probate <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown		

10/2/2019 16

MEDICAL ASSISTANCE RECOVERY PROBATE WORKSHEET	
ii. Petition Allow Sale (Todd) <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown	
15. Potential for PR fees? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown/Maybe	
16. Potential for attorney fees? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown	
i. Written Claims <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown/Maybe	
ii. Initiate Probate <input type="checkbox"/> No <input type="checkbox"/> Unknown	
iii. Petition Allow Sale (Todd) <input type="checkbox"/> No <input type="checkbox"/> Unknown	
17. Is anyone living in the home? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown	
18. Quick sale of property? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown	
19. Risk of Foreclosure? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown	
20. Other: _____	

Eligibility Worker & Eligibility Appeals Supervisor Signature: _____	
Date: _____	
County Attorney's Office: _____	
Date: _____	

10/2/2019 17

County Decisions	
<ul style="list-style-type: none"> Does the County Attorney do probate or do we outsource the work to a private attorney? Do we rehab the real property? Pay to prevent foreclosure? Pay property taxes? 	

10/2/2019 18

What about Liens?

- NPCs
 - County will collect if it takes steps towards probating the real property
 - This means more than sending out a notice to the estate
 - County can only collect expenses (cost of PR, clean-up) when it actually probates a property

Entering Recoveries

DEPARTMENT OF HUMAN SERVICES
MA Estate Recovery Manual

MA Estate Recovery Manual > Estate recovery > Entering recoveries in MMS

Entering Recovery Obligations in MMS

There are two ways to enter a recovery obligation in the Massachusetts Management Information System (MMS) and how to enter a recovery obligation is described in this section.

1. Selecting the correct obligation type for your estate recovery

There are two obligation types in MMS which you must select when entering a recovery in MMS. The obligation types are based on the type of recovery you are entering. The two obligation types are based on the type of recovery you are entering.

Obligation Type	Recovery Type
<ul style="list-style-type: none"> • Probate in court • Probate in court • Probate in court 	MA Estate Recovery
<ul style="list-style-type: none"> • Probate in court • Probate in court • Probate in court 	MA Estate Recovery

2. Entering a recovery

Use the optional form, MA-ER-001, to enter a recovery in MMS. Use the optional form, MA-ER-001, to enter a recovery in MMS.

Discussion:

- How do you determine whether a recovery is cost-effective?
- What is DHS missing in this picture?
- How can DHS help counties make appropriate, cost-effective recovery decisions?



Thank You!

SRU TEAM

Geneva.Finn@state.mn.us 651-431-3108

Greg.Lulic@state.mn.us
