



DISTRICT OF COLUMBIA  
DEPARTMENT OF HEALTH CARE FINANCE

## MEDICAID ESTATE RECOVERY FACT SHEET

### What is Medicaid Estate Recovery?

Under federal and District of Columbia Municipal Regulations, the Department of Health Care Finance (DHCF) must request repayment from estates of deceased Medicaid beneficiaries for services paid for by Medicaid.

### What Is An Estate?

An estate includes all real and personal property, including a home, owned by a deceased beneficiary that does not pass to another person at the time of the beneficiary's death.

### Who is Covered by Estate Recovery?

A Medicaid beneficiary who, at age 55 or older, received Medicaid coverage is covered under estate recovery. DHCF must ask the deceased beneficiary's estate to repay the District of Columbia for the services paid for by Medicaid.\*

\*Estate recovery does not include Medicare Part A and B premiums, deductibles, coinsurance, and copayments with dates of service on or after January 1, 2010.

### How Does the District Request Estate Recovery?

The District will notify the estate of its intent to file its claim by putting a lien on the deceased beneficiary's estate (Notice of Proposed Recovery). However, a lien will not be placed if an **Exemption** is met.

Once the lien is placed, the District may only seek estate recovery after the surviving spouse, a child under 21, or a child who is blind or disabled no longer lives in the home and the home is sold.

The District must waive or reduce its claim if there is an **Undue Hardship**.

### What Are the Exemptions from Repayment?

The District will not pursue the lien under these **Exemptions**:

- The surviving spouse lives in the home, or
- The deceased beneficiary's child who is under age 21 lives in the home, or
- The deceased beneficiary's child is blind or disabled according to Social Security rules and lives in the home.

### What is an Undue Hardship?

The District will not pursue estate recovery if it would result in an **Undue Hardship** to the heir or other interested person. Situations that may fall under undue hardship are below.

- If the deceased beneficiary's home is the only income producing asset of a family business and repayment would result in the heir or other interested person losing their source of income.
- If the heir and other interested person may become eligible for financial help without the money from the estate.
- If allowing the heir or other interested person to keep the money from the estate, makes that individual ineligible for financial help.
- If repayment would leave the heir or other interested person without shelter and that individual cannot afford to obtain and maintain shelter.

Other circumstances may be reviewed by DHCF on a case by case basis.

### How to File an Exemption or Undue Hardship Application

If you receive a Notice of Proposed Recovery and you think an Exemption or Undue Hardship applies, you should complete the Exemption and/or Undue Hardship Waiver Applications sent along with the Notice of Proposed Recovery and return to DHCF within 30 calendar days from the date you receive it.

### How to Find More Information

If you need more information, contact the Health Care Operations Administration, Third Party Liability Division at 202.698.2000. If language services are needed, please call 202.727.5355 and staff will be able to assist.