



News from the Office of Minnesota's Eighth District Congressman Rick Nolan

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Contact Steve Johnson at 202-570-6211 or steve.johnson@mail.house.gov

Nolan Introduces Medicaid Estate Recovery Fairness Act

Modeled after Minnesota, the measure would limit how far states can go in recovering Medicaid costs from an estate after the death of a recipient.

(WASHINGTON, D.C.) – A 2016 Minnesota law that, in certain circumstances, limits how far the state can go in attempting to recover Medicaid costs from an estate after the death of a recipient would expand to cover the entire nation under legislation introduced today by U.S. Rep. Rick Nolan.

Under current federal law, states are required to recover certain costs that the Medicaid program (called Medical Assistance (MA) in Minnesota) paid on behalf of its enrollees for long term services and supports (or LTSS) through a process known as estate recovery.

The majority of states have also opted to “claw back” certain other benefits paid under Medicaid, which was the case in Minnesota until 2016 when it enacted relief from this additional claw back option.

Nolan’s bill, the Medicaid Estate Recovery Fairness Act of 2018 (H.R 6549) would codify the Minnesota estate recovery model into federal law and is aimed at protecting the estates of some individuals who were newly eligible for Medicaid benefits under the Medicaid expansion provisions of the Affordable Care Act (Obama Care).

The provisions of the Medicaid Estate Recovery Fairness Act would apply beginning on the date of enactment, which is intended to effectively cancel any pending estate recovery claims for any previously enrolled newly eligible individuals.

Explaining that his measure comes with support from families and communities across Minnesota and the nation, Nolan added, **“Estate recovery for newly eligible Medicaid enrollees under the Affordable Care Act has caused significant confusion and concern about what happens to people’s assets after they pass away. This bill, which duplicates the Minnesota model, clarifies what can and cannot be recovered from the estate of someone who received Medicaid benefits under the Affordable Care Act. And it updates federal policy so as not to discourage new enrollees from signing up for the program and utilizing Medicaid’s benefits.”**

“The simple fact is, many Medicaid enrollees were not fully or clearly informed of the gravity of the estate recovery process for medical services, especially if they enrolled at age 55,” Nolan explained. “This was especially prevalent in Minnesota family farm country, where many farmers do not have significant cash assets, but do have homesteads and farms that could be subject to estate recovery.”

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2366 Rayburn House Office Building – Washington, D.C. – 20515