

WHERE CAN I GET MORE INFORMATION?

For more detailed information about Estate Recovery, please contact:

Beneficiary Helpline
Phone: 1-800-642-3195

Or visit the website at:
www.michigan.gov/estater recovery

Or email questions to:
MDHHS-EstateRecovery@michigan.gov

Please note that this brochure is only a summary of Michigan Estate Recovery and does not contain all relevant information.

For questions and/or problems, or help to translate, call the Beneficiary Help Line at 1-800-642-3195 or TTY 1-866-501-5656.

Spanish: Si necesita ayuda para traducir o entender este texto, por favor llame al teléfono, 1-800-642-3195 or TTY 1-866-501-5656

Arabic: TTY 1-866-501-5656

إذا كان لديكم أي سؤال، يرجى الإتصال بخط المساعدة على الرقم المجاني ١-٨٠٠-٦٤٢-٣١٩٥



RICK SNYDER, GOVERNOR | NICK LYON, DIRECTOR

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DCH-3895
Rev. 2/2025

YOUR GUIDE TO

ESTATE

R E C O V E R Y

IN MICHIGAN



WHAT IS ESTATE RECOVERY?

The Medicaid program pays for health care services for people who meet the income and asset rules. Medicaid is funded by both state and federal government. The federal government requires Medicaid to recover money that it paid for services from the estates of Medicaid beneficiaries who have died. This is called Estate Recovery.

Medicaid will only recover the amount Medicaid paid for a beneficiary. Medicaid will not recover more than was paid.

WHAT IS AN ESTATE?

An estate includes all assets that pass through probate court. Examples are homes, cars, and bank accounts. If you have received an asset disregard due to a long-term care partnership policy, all assets are subject to Estate Recovery whether they are subject to probate administration or not, though the amount disregarded will be subtracted from the amount sought under Estate Recovery.

WHO IS SUBJECT TO ESTATE RECOVERY?

Estate Recovery only applies to:

- Medicaid beneficiaries age 55 or older who received long-term care services after September 30, 2007.

HOW DOES ESTATE RECOVERY WORK?

When a Medicaid beneficiary age 55 or older dies, the state will notify the estate representative or heirs. The estate recovery notice tells them:

- that the state plans to file a claim; *and*
- the process for applying for an undue hardship waiver.

ARE THERE EXCEPTIONS TO ESTATE RECOVERY?

Yes, the state will defer recovery while one of the following people is still living:

- Beneficiary's spouse;
- Beneficiary's child who is under the age of 21; *or*
- Beneficiary's child who is blind, or permanently disabled, regardless of age.

The state may defer recovery if either of the following people lawfully live in the beneficiary's home:

- Beneficiary's sibling who has an equity interest in the home and was living in the home for at least 1 year immediately before the beneficiary's admission to a medical institution;
- A survivor who:
 - ◆ was living in the beneficiary's home for at least 2 years immediately before the beneficiary went into a medical facility; *and*
 - ◆ provided care so the beneficiary could stay at home during that period.

The state may decide to defer recovery if it creates an undue hardship.

WHAT IS AN UNDUE HARDSHIP?

An heir may apply for an undue hardship waiver. If an undue hardship is granted, the entire estate recovery claim will be deferred for as long as the hardship continues to exist. An undue hardship may exist when:

- The estate is the primary source of income for the survivors, such as a family farm or business; *or*
- The estate is a home of modest value.

To qualify for an undue hardship, certain income and resource criteria must be met.

HOW DO I APPLY FOR AN UNDUE HARDSHIP WAIVER?

You need to fill out and send in an

Undue Hardship Application. You can get an application by sending an email to: MDHHS-EstateRecovery@michigan.gov or by visiting www.michigan.gov/estaterecovery.

You need to send the completed application to the address on the application no later than 60 days from the date on the letter sent with the application. You must also send copies of any documents the application tells you to send. The state will tell you if you qualify for a waiver.

Please note, an exception or waiver cannot be granted before an estate is opened in probate court.