

**South Carolina Department of Health and Human Services  
Medical Care Advisory Committee  
Item for Committee Advise ment**

**PREPARED BY:** Amber Kerr

**PRESENTED BY:** Beth Hutto

**DATE:** June 19, 2014

**SUBJECT:** Estate Recovery

**OBJECTIVE:** To increase the minimum estate asset value upon which SCDHHS can file claims from \$10,000 to \$25,000.

**BACKGROUND:** Currently, SCDHHS files claims against estates with assets valued at \$10,000 or more. SCDHHS would like to increase the minimum amount to \$25,000.00. SCDHHS has determined that estates with assets totaling \$25,000.00 or less are not cost-effective to pursue after all priority expenses (funeral, attorney fees, etc.), have been paid.

**BUDGETARY IMPACT:** Increasing the minimum estate asset value to \$25,000.00 will result in an estimated \$500,000 decrease in recoveries.

**EXPECTED OUTCOMES:** Concerns about the estate recovery process may deter Community Long Term Care (CLTC) enrollment. According to a recent Medicaid population survey, 30% of those surveyed indicated that they did not complete the CLTC application due to concerns about the estate recovery process. Increasing the minimum estate asset value is expected to decrease estate recovery concerns and positively impact CLTC enrollment.

**EXTERNAL GROUPS AFFECTED:** Community Long Term Care applicants

**RECOMMENDATION:** Increase the minimum estate asset value from \$10,000 to \$25,000.

**EFFECTIVE DATE:** October 1, 2014