

FUNERAL HOMES AND MEDICAID ESTATE RECOVERY

FUNERAL TRUSTS, PREPAID FUNERAL AGREEMENTS AND LIFE INSURANCE POLICIES

-Indiana Code 12-15-2-17 – Medicaid recipients who have prepaid irrevocable funeral trusts or prepaid funeral agreements must designate the State of Indiana or the recipient’s estate to receive any remaining amounts after delivery of all services and merchandise under the contract.

-IC 12-15-3-7 - If a life insurance policy is irrevocably assigned to a funeral home, any remaining amounts are to be paid to the State of Indiana.

-Required in order to be considered as exempt as a resource in determining eligibility for Medicaid.

-After the death of the recipient, any excess funds cannot be used to provide for preneed funeral or burial services or items for a surviving spouse or immediate family members.

-Payments should be made by check, money order or cashier’s check payable to the **“Treasurer, State of Indiana”** and mailed to:

Estate Recovery Department
Indiana Medicaid
Indiana Family & Social Services Administration
402 W. Washington Street, W382, MS07
Indianapolis, IN 46204-2739

-Include the decedent’s name, social security number and/or date of death on the check or cover letter.

-For questions or assistance contact:

Michael L. Carter
Estate Recovery Manager
Indiana Medicaid
Indiana Family and Social Services Administration
402 W. Washington St., Room W382 ▪ MS07
Indianapolis, IN 46204
O: (317) 232-2121; F: (317) 234-5076
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PRIORITIES AND EXEMPTIONS

-IC 29-1-14-9(a)(2) states that reasonable funeral expenses have priority over some claims; however, if decedent received Medicaid the amount is limited.

-IC 12-4-17-4 provides an exemption up to \$1750 for funeral expenses

-IC 12-4-17-5 provides an exemption up to \$400 for burial expenses

-Total = \$2,150

-If the decedent did *not* have a prepaid funeral trust, funeral agreement, or assignment of a life insurance policy, money held in a nursing home account can be used to pay funeral expenses up to the exempt amount of \$1,750.

MEDICAID BURIAL ASSISTANCE PROGRAM

-IC 12-14-17-2 and 3 - If criteria are met, Medicaid will pay up to \$1,200 for funeral expenses and \$800 for cemetery expenses.

-For questions or assistance contact:

Medicaid Medical Review Team (MMRT)
Office of Medicaid Policy and Planning
402 W. Washington Street – MS 07 Room W374
Indianapolis, IN 46204-2739
O: (317) 234-1412; F: (317) 234-5075
Indianaburialclaims@fssa.in.gov

You can also access a Webinar on Medicaid Burial Assistance at
<http://www.in.gov/fssa/dfr/5277.htm>.