

Clause in Medicaid application allows state to place liens on homes of deceased recipients

By Debbie Dujanovic | Posted May 16th, 2016 @ 10:34

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10PM: Clause in Medicaid application allows state to place liens on homes of deceased recipients

GUSHER, Uintah County — For 30 years, Margot Adams and Frank Ferguson were in love.

Call it a twist of fate. The two met by happenstance in 1983 when Adams was a newspaper reporter in Vernal. She'd been researching an article when she saw Ferguson for the first time.



"If I had not asked Frank out, there was no way he would have asked me," she said.

Eventually, she moved into Ferguson's home in the Uintah Basin — a small home that had been in his family for generations.

It's hard to place an emotional value on a little house like this. But the county assessment puts a price tag at about \$60,000.

"I wish the walls could talk," Adams said. "The love, the memories, and the heartache."

Although they never married, Adams cared for Ferguson in sickness and in health. He'd suffered serious heart and kidney problems. Then, in September 2014, he died.

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Adams, still heartbroken over his death, received a lien notice from the state of Utah. A couple months after he died, the government set out to recoup \$54,370.95 it spent on Ferguson's medical care.

"It's not okay. It's just not," Adams said. "If people sign up for Medicaid they at least need to know or if they don't remember their kids need to know."

The lien would be placed on their home which would almost wipe out what little inheritance Ferguson had left behind for his children.

Medicaid Recovery

With a monthly income of \$750, Ferguson qualified for Medicaid. Deep in the application is a clause that gives the state the right to go after a recipient's assets after they die.

The state of Utah said it does this to help reimburse taxpayers for the cost of operating the program. In the past three years the state has recouped about \$10.6 million dollars.

Director of operations for Utah's Medicaid program said Adams isn't required to move out of the home, but a lien ensures the state will recoup its money when the home is sold.

When Frank Ferguson passed away at 79, he left behind a home worth less than \$60,000. Because Ferguson used Medicaid, the state of Utah had the right to lien his home for more than \$54,000 to recoup what it paid for his medical bills.

"It just means when the home is sold and all of the funds are settled that the state is going to get paid from that sale," Emma Chacon, director of operations for Utah Medicaid explained.

Congress put the rule in place decades ago. For every dollar the state collects it keeps 30 cents and sends the remaining amount to the federal government.

The government doesn't go after estates of every deceased Medicaid patient because some don't have much to go after.

"But if you have resources that are available to pay for your care you should use those resources to pay for your care before you expect the taxpayers to pay for your care," added Chacon.

After ten months of haggling, Adams persuaded the state to cut the lien to a little less than \$26,000.

She's let go of her frustrations over it. She now wants others to know the clause exists and to ask questions about the program before they apply for Medicaid.

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