

Homestead Exemption (Estate Recovery)

Effective September 1, 2003, the following changes will be made to the Kentucky Medicaid Estate Recovery program:

- The exemption of \$50,500 on homestead property will be eliminated. This means that the entire value of a Medicaid recipient's home will be considered in determining if Estate Recovery will be pursued.
- Estate Recovery will pursue all assets in which the Medicaid recipient had an interest. This will include all bank accounts, IRA's etc., in which the individual had an interest. Estate Recovery will no longer just apply to those assets which are subject to probate.
- The \$5,000 minimum for estate recovery will be increased to \$10,000. This means that individuals whose estates are less than \$10,000 will no longer be subject to Estate Recovery.
- Appeal rights will be provided if a claim for undue hardship exemption has been denied.