

## Farm Management

# At issue: Subsidized health insurance under MNSure and estate recovery



## Farm & Family

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**A**N article in the Duluth News Tribune has sparked some controversy about the ability of the state of Minnesota to place liens on the estates of those who have signed up for health insurance through MNSure.

Some individuals feel they were forced into subsidized health care programs that subjected their estates to recovery claims. Let me examine for you the issue of subsidized health insurance under MNSure and estate claims.

### Understanding MNSure

MNSure is not health insurance. It is the health insurance marketplace for Minnesota established under the Affordable Care Act. The “exchange,” as it is known, enables individuals and small businesses in Minnesota to find, compare and ultimately obtain health insurance, either by purchasing private insurance or by qualifying for publicly funded, means-based medical programs. The exchange is intended to organize the health insurance marketplace and provide competitive prices by offering a choice of health plans. It is designed to provide resources to help consumers understand their available options.

### MinnesotaCare, Medical Assistance

For those unable to afford private health insurance, Minnesota administers two programs to provide low-income individuals with health coverage: MinnesotaCare and Medical Assistance.

MinnesotaCare provides coverage for those with incomes greater than 133% but not exceeding 200% of the federal poverty guidelines for their family size. To be eligible for MinnesotaCare, individuals must meet the income requirements, be a

Minnesota resident and a U.S. citizen, or a lawful resident.

MinnesotaCare members pay up to a \$50 monthly premium for coverage. Claims paid by the state on behalf of MinnesotaCare members are not subject to estate recovery. However, if you have access to other insurance coverage including MA, Medicare, most employer-sponsored insurance plans or Tri-Care, you are ineligible for MinnesotaCare. For example, individuals cannot opt to enroll in MinnesotaCare if they qualify for MA. Their options for health care are MA, private insurance or no insurance. Most individuals who qualify for MA cannot afford private insurance and must either enroll in MA or go without health insurance.

MA covers very low-income Minnesota residents of various categories, including pregnant women, parents, children, childless adults, elderly (over age 65) and those with disabilities. Program eligibility and income guidelines depend on the category to which an individual belongs. MA is not to be confused with Medicare, the federally funded health insurance program for people over 65 and some people with disabilities.

Medicare is not an entitlement program. Every individual age 65 and older qualifies for Medicare, although individuals with higher incomes may pay higher Medicare premiums.

MA, in contrast, is a needs-based program and covers individuals of all ages who meet the eligibility requirements. Individuals on MA do not pay premiums and must recertify their financial situation every six months with the county to determine if they are eligible to continue in the program.

### Estate recovery

Minnesota is required to seek recovery of MA payments from the individual's estate for long-term care facility services, home and community-based services, and related hospital and prescription drug services. Minnesota has the option to recover payments for all other Medicaid



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services provided to these individuals, except Medicare cost-sharing paid on behalf of Medicare Savings Program beneficiaries.

Any person who received health care payments under MA after age 55 is subject to estate recovery, regardless of whether there was a long-term care stay. For married couples, the claim may be filed at first death, but typically is not collected until second death. As stated previously, enrollment in MinnesotaCare, as opposed to MA, does not subject estates to recovery.

### Be informed

Consumers should research the plan they're considering and ask questions before signing on the dotted line. It is the state's responsibility to make sure these notices are conspicuous, but it is ultimately upon the consumer to make an informed decision.

The MA/Minnesota Care Application

states: “If anyone on this application is eligible for Medical Assistance, I have read and understand that the state may claim repayment for the cost of medical care, or the cost of the premiums paid for care, from my estate or my spouse's estate.”

### MA liens and estate claims

For those people 55 years old or older, Minnesota must recover health care costs paid for an MA member from the member's estate.

Medical assistance is a complicated area of law, whether you are receiving basic MA or MA to pay for long-term care. The county human services department will provide general information, but you should seek an attorney with expertise in this area if you have questions or need legal advice.

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