

1. Where can we locate the Administrator of Estate Designation Form?

On the Medicaid website's subheading "Resources", you will select "Forms Library". Once you've reached this page, you will select "Long Term Care". Under the "Long Term Care" heading, the form will be located under the second subheading also called "Long Term Care". It will be the form under the subheading "Estate Administration Designation Form" (without a form number).

The form can be found at the following direct link:

https://medicaid.alabama.gov/documents/9.0_Resources/9.4_Forms_Library/9.4.1_Applicant-Recipient_Forms/9.4.1_LTC_Estate_Admin_Desig_Form_12-22-14.pdf

2. Who can be listed as the Beneficiary on the Administrator of Estate Designation Form?

The beneficiaries listed (as primary and secondary) must be the Medicaid recipient's adult next of kin. Adult next of kin means any blood relative of the Medicaid recipient. An adult next of kin includes but is not limited to:

1. Surviving Spouse;
2. Medicaid recipient's children;
3. Medicaid recipient's parents;
4. Medicaid recipient's brothers and sisters;
5. Medicaid recipient's grandparents; OR
6. Children of Medicaid recipient's grandparents (i.e. aunts and uncles).

3. Who can sign the Administrator of Estate Designation Form?

The Medicaid recipient. If the Medicaid recipient is unable to sign the form, a person who has legal authority (i.e. Power of Attorney, Conservator, or Guardian) can sign this form on the recipient's behalf.

This form cannot be signed by any person who does not have the legal authority to do so. If the Medicaid recipient is unable to sign and there is no person who has legal authority, please proceed with the handling of the patient/resident trust funds as instructed in Medicaid Administrative Code 560-X-22-.25(5)(e) (funds would need to be sent to the state's Unclaimed Property Division).

Please remember that a Medicaid sponsor does not have any authority to sign this form unless they have legal authority to sign on the Medicaid recipient's behalf.

4. How does the facility need to handle the following situation: A Medicaid recipient was already a resident in the facility when this form became available and is unable to sign the form now, who has the authority to sign this form on their behalf?

The only individual with the authority to sign this form for a Medicaid recipient is a person who has legal authority. If the Medicaid recipient is unable to sign and there is no person who has legal authority, the facility will not be able to have this form completed for this Medicaid recipient. The facility should document that in the Medicaid recipient's file. The funds in the patient/resident trust account will be unable to be designated **unless** an estate is opened following their death. If no estate has been opened when funds are available to disburse, please follow the instructions in Medicaid Administrative Code 560-X-22-.25(5)(e) regarding the handling of the patient/resident trust funds (send to the state's Unclaimed Property Division).

5. What does the facility do when there are funds available in the patient/resident trust account at their death but a balance is owed to the facility? Can the facility retrieve the funds in the patient/resident trust account as payment on the debt owed to the facility?

The facility will be able to be reimbursed for the month of death only. This could be for the month of death's liability amount or any service that is not covered by Medicaid. These services include, but are not limited to, haircuts, cable or telephone. The facility's records must have this information documented.

6. The form has a place for two witnesses. Is this mandatory for two individuals over the age of 18 to sign after the resident or authorized individual has signed designating funds?

YES. Medicaid requires that the form have two witnesses to ensure consistency and accuracy.

7. Can employees of the facility sign as witnesses to the signature of the Medicaid recipient or the legal authority signing on their behalf?

Employees of the facility are allowed to serve and sign as witnesses on the form.

8. Can the funds in the patient/resident trust account be used for funeral expenses?

The funds are only allowed to be released to the following:

1. The estate of the Medicaid recipient when an Administrator has been appointed by the probate court;
2. The beneficiary designated on the Administrator of Estate Designation Form; or
3. The state's Unclaimed Property Division.

At no time should funds be disbursed directly to a funeral home for expenses after the resident's death. We suggest funeral expenses be paid in advance. Ideally, this should be done prior to placing application for Medicaid benefits or shortly thereafter. However, in situations where this was not the case and the resident is still alive, please feel free to assist the resident with purchasing items for a prepaid burial contract if there are funds available in their patient/resident trust account. Remember: Residents on Nursing Home Medicaid are only allowed \$5,000 for burial expenses to maintain eligibility. If you are unsure what funeral expenses and life insurance the Medicaid office has documented for the resident's eligibility, please contact the District Office who handles your county for assistance.

9. Can the funds remaining in the patient/resident trust account be paid to the funeral home for expenses after a resident has died?

NO. Please refer to question #8 for additional clarification.

10. Our resident has already died. Can we still complete the Administrator of Estate Designation Form?

This form is only for living residents. Anyone who dies prior to this form's availability and completion will be treated as previously instructed. If there is no estate opened on the decedent, the funds will need to be sent to the state's Unclaimed Property Division. The purpose of this form is to provide an alternative in case no estate is opened when the resident dies.

11. How do we handle the following situation: A Medicaid recipient pays the entire month's liability amount near the beginning of the month but dies prior to the month ends? How should this "credit" be handled?
- (a) If the patient's liability amount was paid out of their patient/resident trust fund, please move any amount that was overpaid back to the patient/resident trust fund and handle disbursement as instructed. If the patient's liability amount was paid (in any amount) out of their Qualified Income Trust (QIT) account, any overpaid amount is due to the Alabama Medicaid Agency.
 - (b) If an individual (other than the resident) pays for items which Medicaid does not cover other than the patient's liability amount (i.e.

private room, cable, etc.), any refund amount after the prorated amount has been determined needs to be returned to the individual who paid for the service.

This information regarding both the payment and the refund must be documented in the facility's records in order to avoid any issues at a later time. Be sure to identify the source of each payment to maintain the most accurate information.

12. Can the facility pay all funds in the patient/resident trust fund to the surviving spouse when there is no signed Administrator of Estate Designation Form?

NO. Medicaid requires that funds in the patient/resident trust fund only be released to the adult next of kin (beneficiary) stated on the Administrator of Estate Designation Form. The surviving spouse would only be entitled to funds in the patient/resident trust fund if the surviving spouse is the one designated on the form. If an Estate has been opened in the probate court, letters of administration should be available and would overrule this Administrator of Estate Designation Form.

13. Where can I locate information about sending funds to the state's Unclaimed Property Division?

Information about sending funds to the state's Unclaimed Property Division is located via their webpage at: [Alabama Unclaimed Property - Official State Website \(findyourunclaimedproperty.com\)](http://AlabamaUnclaimedProperty-OfficialStateWebsite(findyourunclaimedproperty.com)).

14. Unclaimed Property Division has informed our facility that all information must be submitted electronically. What verification will Medicaid require since the actual paper forms are not wanted by Unclaimed Property Division?

Medicaid will need the following:

1. Medicaid recipient's name
2. Medicaid recipient's Social Security Number
3. Amount of funds submitted to Unclaimed Property Division for that particular Medicaid recipient
4. Date submitted to Unclaimed Property Division

This information needs to be submitted for EACH Medicaid recipient.

The Agency will accept additional questions via email to EstateRecovery@Medicaid.Alabama.Gov. If necessary, the Agency will update this Q&A.