

STOP ESTATE RECOVERY **CALL TO ACTION**

IT IS IMPERATIVE THAT YOU WRITE TO YOUR STATE OF MICHIGAN REPRESENTATIVE and SENATOR NOW! Please do not Procrastinate.

This is a kit to make this task as simple as 1-2-3.

- 1. Read the information.**
- 2. Send the attached letter to your state representative and senator and fill in the heading, sign and print your name, address and phone number. If you prefer I can email you the letter all you have to do is ask and provide your email address.**

All letters to state representatives use this address:

**The Honorable first name, last name
State Representative
P.O. Box 30014
Lansing, MI 48909**

All letters to state senators use this address:

**The Honorable first name, last name
State Senator
P.O. Box 30036
Lansing, MI 48909**

- 3. Find your Representative:**
 - go to www.house.michigan.gov**
 - move mouse over the Representative button**
 - click on find a representative**
 - enter your zip code.**
- 4. Find your Senator:**
 - go to www.senate.michigan.gov**
 - click on find your senator**
 - click by address and enter your zip code.**
- 5. For those that do not have a computer you can call the clerk of the house and/or senate and ask for assistance and they will give you the name (you have the address).**

House	1-517-373-0135
Senate	1-517-373-2400

Date

The Honorable _____

State _____

P.O. Box _____

Lansing, Michigan 48909

Dear _____:

I am writing to urge you to oppose SB 374, a bill introduced to implement Medicaid Estate Recovery. Such a program would allow the state to "recover" homes and family farms and other assets from the estates of people over the age of 55 who, through illness, were forced to enroll in Medicaid for long term care or home based community care. I am writing to encourage you to support, instead, estate preservation, which is a way to meet Michigan's budgetary needs and federal obligations without resorting to taking private properties.

I understand that the federal government has mandated that states implement some type of Medicaid Estate Recovery program, and that Michigan is the only not to have done so. However, many of Michigan's seniors have worked their entire lives with the goal of leaving their home or farm for their families. Medicaid Estate Recovery would put that in jeopardy and cause many seniors not to seek nursing or home care, even when it may be in their best interest. Furthermore, implementing this policy will create problems for local government, because how many people are likely maintain properties or to pay taxes on properties that will revert to the state at the time of their parents' deaths?

Some supporters of Medicaid Estate Recovery claim that having the government confiscate the home of the deceased Medicaid long term care recipients is fair compensation for government services. However, there is another way to look at it: Seniors who enroll in Medicaid usually have already spent the majority of their assets to become eligible. The homestead is one of the only large assets that they are entitled to keep; and very often, the only thing they have left to show for a lifetime of work and paying taxes. The impact of Medicaid Estate Recovery on family farms could even be more devastating. And it is a myth that wealthy people routinely engage in "Medicaid" planning to cover their nursing home care. Which of us who can afford an alternative would choose to have our choice of nursing homes or other long-term care option dictated by Medicaid?

Finally, the amount of money recovered through Medicaid Estate Recovery will be minuscule. Estate Recovery has a poor record of raising significant amounts of money in states that have implemented it. Actual collections from estate recoveries nationwide pay for only 1/10 of 1% of the Medicaid program. The majority of money collected goes to the federal government, and a significant portion of the remainder goes to the costs of administering the program. Although proponents of estate recovery predicted that it would produce about \$1 billion annually, actual collections from estate recoveries nationwide pay for only 1/10 of 1% of the Medicaid Program, while generating substantial political ill-will. Estate Recovery is bad policy.

Fortunately, the Governor's bi-partisan task force on Medicaid long-term care developed a creative alternative to estate recovery. This plan known as "Estate Preservation" would establish a statewide insurance-style program. This plan has the advantage of lower administrative costs and can raise as much or more money than could be raised by a traditional Medicaid Estate Recovery program, while ensuring that the government will not claim the property of a deceased recipient's estate. I urge you to talk to the people you serve in your district, and I am sure you will find little or no objection to the concept of a modestly priced insurance (\$12 a year to save the home) program if it saves their own or their parent's home or family farm.

I understand that Medicaid spending is a large contributor to Michigan's budget woes. However, Medicaid Estate Recovery is not the answer. It will provide very little relief to the budget pressures, while causing great harm to the well-being and security of Michigan's senior citizens. I urge you to reject SB 374 and any proposals to implement Medicaid Estate Recovery in Michigan and support instead an alternative plan such as Estate Preservation. I would appreciate hearing your views on this issue as soon as possible.

Sincerely,