

Medicaid Estate Recovery Impact Story

Amanda Lyon

SARASOTA, FLORIDA

Amanda Lyon was just a toddler when she and her mom, Cheryl, moved to Sarasota, Florida, to live near her grandmother, Dolores Simpson. Throughout Amanda's childhood, Cheryl had multiple health challenges, including a stroke, followed later by a heart attack, a hysterectomy, an emergency appendectomy, and, finally, urothelial carcinoma in 2009.

Amanda, who was a senior at the University of South Florida when her mom was diagnosed with cancer, had cared for her mom for years, helping her with cooking, cleaning, and making sense of information after her stroke. She also drove Cheryl an hour each way from Sarasota to Tampa three times a week for chemotherapy treatments. One week after Cheryl's diagnosis, Dolores, who had been diagnosed with lung cancer in 2008, died on Mother's Day. Six months later, on the day before Thanksgiving, Cheryl passed away at age 55. Amanda was just 22 years old.

Just Starting Out, and Facing a \$95,000 Claim

An interest in Dolores's condo went to Cheryl's estate, then to Amanda, through the estate process. The next year, Amanda received a letter from Florida's Medicaid agency putting a claim on Cheryl's estate for \$95,000 to cover the costs of her chemo and surgery. Amanda, who had taken an extra year to finish college, had just graduated and had no income.

"There was a lot of shock but also a lot of rage," Amanda said. "There was so much anger – why was this even possible at all?"

Florida's Constitution generally protects homes from creditors, including Medicaid; however, the home in this case belonged to Dolores, who died shortly before Cheryl did. While federal law prevents Medicaid Estate Recovery when there are children under 21, or for medical care provided before a decedent's 55th birthday, Amanda was 22 and Cheryl was just over 55. As a result, the state could seek to recoup those Medicaid costs from the estate.

The Only Thing She Might Ever Receive

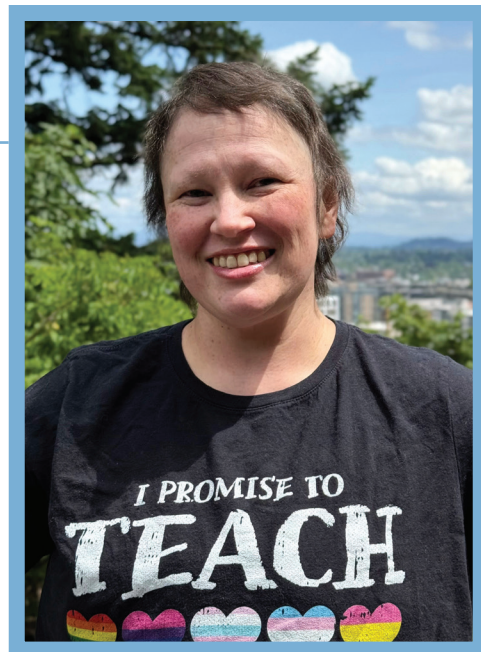
The state Medicaid agency "was trying to take the only thing she might ever receive from anyone in her family," said Andrew Boyer, noting that Amanda's father had recently died as well. Boyer, a NAELA member, served as Lyon's attorney.

Florida outsourced the collection of Medicaid Estate Recovery money to Xerox State Healthcare, LLC. The process "turned from the state recouping money on its own to a system where a private contractor is acting as a debt collector," Boyer said.

After extensive work, Boyer could not find any indication that Xerox State Healthcare had filed the correct paperwork to serve as a debt collector in Florida. For that reason, a suit was filed under Florida's Consumer Collection Practices Act. Shortly afterward, the state's claims against Cheryl's estate were dropped.

Amanda likened Medicaid Estate Recovery to "trying to get blood from a broken stone" because individuals must have limited financial means to be on Medicaid in the first place.

To others going through this process, she said, "You're not alone."



“There was so much anger – why was this even possible at all?”



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To learn more about Medicaid Estate Recovery, visit naela.org/medicaidestaterecovery