

House Committees  
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## **Representative Sean Patrick Brennan 14<sup>th</sup> House District**

### **Sponsor Testimony**

**H.B. 130: Regards the Medicaid Estate Recovery Program**

Good afternoon Chairwoman Gross, Vice Chair Barhorst, Ranking Member Baker, and members of the House Medicaid Committee. Thank you for affording us the opportunity to provide sponsor testimony on H.B. 130 – The Medicaid Estate Recovery Notification Act.

The Medicaid Estate Recovery Program allows the state to seek repayment of Medicaid costs from a beneficiary's estate after they pass away. However, many Ohioans who apply for Medicaid are unaware that the state will seek to recover the costs of services provided from their estate, including their home. In fact, many experts and advocates report very minimal knowledge about the collection program among the elderly and disabled.

When a recipient does not understand the cost of the Estate Recovery Program, they leave their loved ones to shoulder unintended and unanticipated debts and legal complications. That is why we must require better transparency by ensuring that all Medicaid applicants are clearly informed about the program when they apply and when they are approved.

H.B. 130 will require the Department of Medicaid to notify individuals in a uniform manner throughout Ohio about the Medicaid Estate Recovery Program upon applying for Medicaid and to notify them once more when their application is approved. This must include a consumer-focused approach that explains how the program functions in layman's terms, including specific scenarios and a delineation of what is recoverable. In fact, Medicaid recipients are required to be included in developing and review of the notification materials.

Additionally, the bill requires the creation of a notification for Medicaid enrollees who may be at risk of being subject to the Estate Recovery Program that includes a list of available resources, such as consumer support, legal aid, and estate planning resources. These requirements square with the best practices espoused by groups such as the AARP and the Medicaid Commission.

By requiring that Medicaid applicants receive clear, written explanations of the Estate Recovery Program both at the time of application and upon approval, we can ensure that individuals and families can make fully informed financial decisions. Transparency allows families to explore legal options, such as estate planning strategies, to protect assets while still complying with Medicaid rules.

I want to emphasize that for many, Medicaid eligibility is a matter of necessity due to lack of resources and/or the need for long term care. In many circumstances, it is their only choice. H.B. 130 will ensure fairness. The Medicaid Estate Recovery Program can disproportionately affect low-income families and those living with special needs or disabilities. In fact, some criticize the program for exacerbating the challenges for many low-income families to build intergenerational wealth.

Better communication builds trust between Ohio's government and its citizens. When people feel blindsided by estate recovery claims, it can lead to frustration and distrust in the Medicaid system. Providing clear, upfront information ensures that recipients understand their rights and responsibilities, ultimately fostering a more transparent and fair healthcare system.

Ohio has the opportunity to lead in responsible governance by making Medicaid estate recovery policies clearer for all applicants. Let us work together to ensure that no Ohioan is caught off guard by a program meant to help them. Let us advocate for stronger disclosure requirements—because informed decisions lead to better outcomes for everyone.

I want to thank Representative LaRe for allowing me to join him on this important piece of legislation. It is an honor to work with someone who clearly cares about improving the quality of life for Ohioans.

Thank you, Madam Chair for allowing us to present to your committee and for your consideration of a second hearing soon, and thank you to all of the members of the committee for your consideration of support of this consumer-friendly bill.