

MEDICAID TITLE 19 AND FUNERAL TRUSTS & CONTRACTS

Medicaid or Title 19 can pay for health care for Connecticut residents in low income situations.

Anyone applying for Medicaid is entitled to set aside funds for the purpose of paying their funeral/burial expenses as part of the spend-down process.

Placing funds in pre-funded funeral contracts is permissible by law. Current Title 19 regulations allow an individual to enter into and pre-fund one or both of the following types of contracts with a CFDA-member funeral home (all of these funds must be used to pay for funeral expenses):

1. IRREVOCABLE TRUST

An Irrevocable Trust can be pre-funded up to \$8,000, according to Public Act 16-20 that was established in 2016. **In addition, Department of Social Services has confirmed that existing \$5,400 contracts may be increased to the new \$8,000 limit without impacting the recipients Medicaid eligibility.**

Selections listed under the Irrevocable Trust include: basic service charges, funeral services, preparation of remains, vehicles, etc.

Note that the \$8,000 financial cap may not be sufficient to cover all of the costs to provide for the funeral of your choice.

Once prepaid, an Irrevocable Contract cannot be cancelled or cashed in, but may be transferred to another licensed funeral home.

2. BURIAL PLOT ALLOWANCES – REVOCABLE CONTRACT

A Revocable Burial Plot Allowance contract can be pre-funded in an amount for specific burial and cemetery items and services that meet your needs, without any dollar limitation, according to State of Connecticut General Statutes 17b-91(b) that was established in 2004.

This kind of burial plot allowance contract can only include the purchase of the following burial plot items:

- Casket or Urn
- Outer Burial Container or Vault
- Cemetery Expenses (gravesite, opening and closing charges)
- Cemetery Monument, Marker or Mausoleum and Engraving

The family may choose and pre-fund any or all of these burial plot items of their choice.

A Revocable Contract can be cancelled or transferred at any time that the person is on Title 19. But, according to law, if the Revocable Contract is cancelled, then the funds must be returned to the State of Connecticut.

Besides helping to reduce assets for Title 19 qualification and pre-planning, your local CFDA-member funeral home is available to answer a variety of questions about funeral and memorial services of all types.

The Connecticut Funeral Directors Association is comprised of funeral directors at more than 220 funeral homes across the state. Based in Wethersfield, CT, it is committed to the promotion and advocacy of high ethical standards in funeral service. This includes the development and presentation of on-going professional training opportunities for practitioners and educational programs for association members and the public.

We hope you find this information to be helpful. Please contact us with any questions or concerns.

Howard K. Hill Funeral Services
319 Barbour Street
P.O. Box 4370
Hartford, CT 06120-4370
(860) 247-8793
www.hkhfuneralservices.com



364 Silas Deane Highway
Wethersfield, CT 06109

www.ctfda.org
email: connfda@aol.com

860-721-0234
1-800-919-CFDA
Fax 860-257-3617

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