

North Dakota Medicaid Burial Policy

North Dakota Health and Human Services allows ND Medicaid members to set aside some funds and resources (such as a life insurance policy, pre-paid burial plans, certificates of deposit (CD), savings accounts, etc.) to cover burial expenses.

The 2019 House Bill No. 1318 changed how ND Medicaid members can set aside funds for burial expenses.

Any funds set aside for burial expenses must be placed in an irrevocable itemized funeral contract in order for the funds to not be counted towards ND Medicaid's asset limit.

What is an **Irrevocable Itemized Funeral Contract**?

- Irrevocable – a contract that cannot be changed
- Itemized – a list of items covered under the contract
- Contract – a document between two or more individuals promising to do something and that is legally binding between the parties of the contract

Individuals requesting ND Medicaid coverage will need to have their burial expenses in an irrevocable itemized funeral contract in order for the burial costs to be excluded.

Additional Details

- Burial funds must be designated before a person's death.
- The burial funds cannot be mixed with other funds.
- An irrevocable itemized funeral contract can be created by a funeral home, cemetery association or an attorney.

Frequently Asked Questions

Q – I am a current ND Medicaid member and would like to add to my current funds set aside for burial expenses. Do I need to follow the new rule?

A – Yes. You will need to establish an irrevocable itemized burial contract and designate the funds for burial.

Q – I am a current ND Medicaid member with a \$2,300 CD identified as funds for my burial expenses. I would like to create an additional \$3,700 irrevocable itemized burial contract. Can I have both?

A – No, any funds set aside for burial must follow the new rule in order for it not to count towards the ND Medicaid asset limit. The CD would need to be placed into an irrevocable trust designating the funeral home or cemetery association as the beneficiary of the trust.

The irrevocable itemized burial contract would be established according to the new rule.

Q – I am currently on ND Medicaid and have set aside my CD worth \$6,000 for my burial expenses. Do I need to change it?

A – Yes. Based on the change in North Dakota law, funds set aside for burial need to be in an irrevocable itemized burial fund in order to be considered excluded in determining Medicaid eligibility.

Q – I would like to use my life insurance policy when setting up my irrevocable itemized burial contract. What do I need to do to the policy?

A – You do not need to change ownership of the life insurance policy. You just need to change the beneficiary. The owner of the life insurance policy needs to name the funeral home as the beneficiary of the policy. An itemized funeral contract will need to be established with the funeral home or cemetery association. This change is not a disqualifying transfer and will not affect your Medicaid eligibility.

Q – What expenses can be paid with a burial contract?

A – Funds in a burial contract can cover a wide variety of funeral expenses including headstones or monuments, burial plots, caskets, burial vaults, embalming, cremation services and other funeral-related expenses.



For more information, contact the Customer Support Center toll-free (866) 614-6005, 711 (TTY), email applyforhelp@nd.gov or find a human service zone office near you at hhs.nd.gov/human-service/zones.

Human service zone offices will not be able to provide financial or legal advice regarding the establishment of an irrevocable itemized burial contract.