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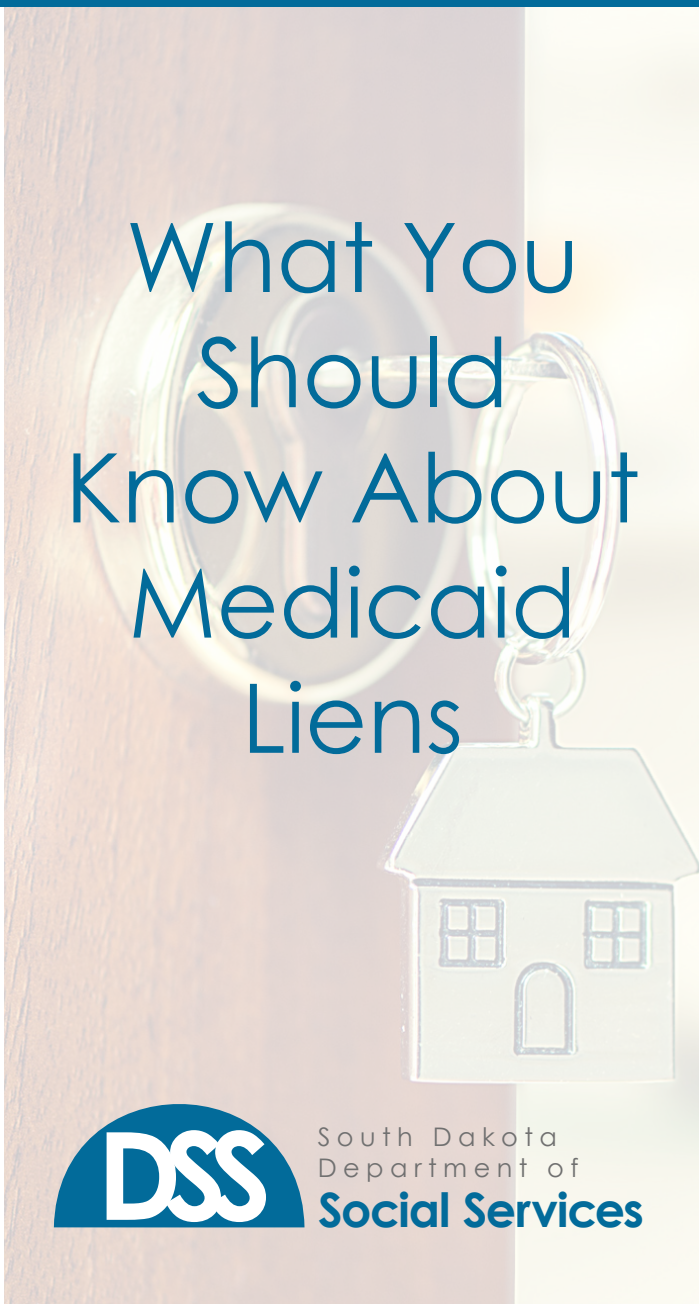
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South Dakota
Department of
Social Services

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What You Should Know About Medicaid Liens



South Dakota
Department of
Social Services

What is a Medicaid Lien?

A Medicaid lien is a claim placed against a person's property to ensure that a debt is paid. The South Dakota Department of Social Services may impose a lien on the property of a Medicaid recipient if they retain a home and reside in a nursing home or other medical facility and is unable to return to their home.

The Department will notify a recipient if it intends to impose a lien. The amount claimed as a lien will be equal to the amount of assistance that the Department provides to a Medicaid recipient while residing in the facility. The lien will be lifted if the recipient is medically released from the nursing facility or other facility and returns to their home.

Your Home May Be Exempt



The Department will not impose a lien on the home of a Medicaid recipient if:

- ✓ The recipient has a spouse lawfully residing in the home.
- ✓ The recipient has a child under age 21.
- ✓ The recipient has a child who is blind or disabled (as determined by Supplemental Security Income).
- ✓ The recipient's sibling has co-ownership in the home property and has lawfully resided there continuously for at least one year immediately before the recipient was admitted to the nursing facility or institution.

Why does the state impose liens on home property?

The 1994 State Legislature authorized the Department to impose liens on real property to allow the state to recover the costs of Medicaid benefits paid to recipients while in a nursing facility or other facility.