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LISA HOEHNE, CLERK RECORDER

APN: 004-370-28

Recording Requested by and  
Return Document to:

Homa S. Woodrum, Esq.,  
Deputy Attorney General  
100 North Carson Street  
Carson City NV 89701

I, the undersigned, hereby affirm that this document  
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Security Number.

  
Liz Stern, ALS  
Legal Secretary II

## LIEN

### ORDER IMPOSING MEDICAID LIEN ON REAL PROPERTY

1 Case No.: PR 2012-027

2 Dept.:

NO. \_\_\_\_\_ FILED

3 MAY 03 2021

4  
5 By Eureka County Clerk  
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8 SEVENTH JUDICIAL DISTRICT COURT OF NEVADA  
9 IN AND FOR THE COUNTY OF EUREKA  
10

11 In the Matter of the Estate of:

12 FREDERICK ALVIN LEE,

13 Deceased.  
14

15 ORDER ESTABLISHING MEDICAID LIEN ON REAL PROPERTY

16 On the 16<sup>th</sup> day of April 2021, in the above-captioned court before the Honorable  
17 District Court Judge Gary D. Fairman, at 10 a.m., the matter of the Public Administrator's  
18 *Petition to Convey Trust Property* was heard. Parties appearing were represented via  
19 videoconference and telephone as follows: for the Public Administrator, Eureka County  
20 District Attorney Theodore Beutel; for Brandon Elvis Lee, Attorney Angeline J. Portel; for  
21 Jason Frederick Lee, Attorney Jonathan Nelson; and Senior Deputy Attorney General  
22 Homa Woodrum for the Division of Health Care Financing and Policy ("Nevada Medicaid");  
23 and such other appearances as were noted in the Minutes, including Attorney Jeffrey  
24 Shaner for a creditor party.

25 There were no objections on record to appearing via teleconference or  
26 videoconference. Though other matters were before the court in addition to the *Opposition*  
27 *to Petition to Convey Trust Property* filed on behalf of Nevada Medicaid, the *Reply* filed on  
28 behalf of Jason Frederick Lee, and the *Eureka County Public Administrator's Notice of No*

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APR 29 2021

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Eureka County Clerk

1 *Objection to Medicaid Lien*, counsel for the Public Administrator requested a separate  
2 order regarding Medicaid Lien independent of such other orders as may be issued by the  
3 Court in relation to the *Petition to Convey Trust Property*.

4 Counsel for Jason Frederick Lee argued in his *Reply* that Nevada Medicaid was  
5 barred from seeking recovery from a beneficiary of an estate or trust who is under the age  
6 of 21. Counsel for the Public Administrator highlighted in his *Notice of No Objection to*  
7 *Medicaid Lien* that, as indicated in Nevada Medicaid's *Opposition to Petition to Convey*  
8 *Trust Property*, a lien is not recovery. As specified by the Nevada Supreme Court in *State*  
9 *of Nevada v. Ullmer*, "a lien, in and of itself, is not an impermissible "recovery."" 120 Nev.  
10 108 at 118, 87 P.3d 1045 at 1051-1052 (2004).

11 Counsel for Jason Frederick Lee further argued that a transfer of title to real  
12 property into a trust was a sale of that real property and would extinguish any interest  
13 Nevada Medicaid had in recovery. Counsel for Nevada Medicaid represented that a  
14 transfer was not a sale of real property to a bona fide purchaser for fair market value and  
15 would therefore not constitute a "sale" that would mandate release of a lien, if such a lien  
16 were granted by the Court. A sale by beneficiaries under the age of 21 of real property  
17 would result in a release of lien without satisfaction of the underlying balance owed but if  
18 the property were sold at a later date when the beneficiary was no longer under the age of  
19 21 would yield a payoff demand in closing of such a sale to a bona fide purchaser for fair  
20 market value.

21 No objection was made as to the amount of Nevada Medicaid's claim (\$5,127.28) or  
22 whether the decedent was a recipient of Nevada Medicaid.

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1       **THEREFORE**, the Court, having received evidence through the filings in this  
2 matter and any representations made at the hearing in this matter on April 16, 2021, now  
3 finds as follows:

4       1.     **FREDERICK ALVIN LEE** ("Decedent") was a recipient of Nevada Medicaid  
5 benefits totaling \$5,127.28.

6       2.     Nevada Medicaid providers have up to one (1) year after the Decedent's date  
7 of death to bill Nevada Medicaid for services rendered, which will be September 9, 2021.

8       3.     Nevada Medicaid is required by federal and state law to secure rights to  
9 future recovery of Medicaid benefits paid on behalf of recipients, including interest in legal  
10 title to real property immediately before or at the time of death.

11       4.     The Decedent's heirs are represented to both be under the age of 21 and  
12 recovery of claimed funds from the estate is not permitted until they reach the age of 21.

13       5.     A lien on real property is allowable under federal and state law to secure  
14 future possible recovery by Nevada Medicaid of paid claims on behalf of the Decedent.

15       6.     Nevada Medicaid has appeared in this matter and requested specific  
16 language establishing a lien on real property to secure its interest in repayment out of any  
17 future possible proceeds of sale from the Barth Road property even if it is subsequently  
18 transferred or re-titled or represented to be in the name of a trust (The Funshine Trust).

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1           **IT IS THEREFORE HEREBY ORDERED, ADJUDGED, AND DECREED** as  
2 follows:

3           1.     A lien, on behalf of the Nevada State Division of Health Care Financing and  
4 Policy (Nevada Medicaid) in the amount of FIVE-THOUSAND ONE-HUNDRED  
5 TWENTY-SEVEN DOLLARS AND TWENTY-EIGHT CENTS (\$5,127.28) is hereby  
6 imposed against the real property of the estate of FREDERICK ALVIN LEE and/or THE  
7 FUNSHINE TRUST even after any re-titling to reflect or affirm ownership by THE  
8 FUNSHINE TRUST or JASON FREDERICK LEE as successor trustee of THE  
9 FUNSHINE TRUST, commonly known as 200 Barth Road, Eureka, Nevada 89316  
10 situated in Eureka County and whose legal description is as follows:

11           Parcel 2 as shown on that certain Parcel Map for RLF Properties, LLC filed in the  
12 office of the County Recorder of Eureka County, State of Nevada, on September 19, 2008,  
13 as File No. 212466, being a portion of Section 33, Township 32 North, Range 51 East,  
14 M.D.B.&M.

15           EXCEPT all right, title and interest in and to those certain mineral rights (conveyed  
16 mineral rights) as more particularly described and defined in that certain Grant Bargain  
17 And Sale Mineral Deed executed by RLF Nevada Properties, LLC, a Colorado limited  
18 liability company, as grantor, to New Nevada Resources, LLC, a Florida limited liability  
19 company, recorded June 28, 2012, Book 533, Page 222, Document No. 220723, Official  
20 Records of Eureka County, Nevada.

21           APN 004-370-28

22           2.     The Medicaid lien is in accordance with the provisions of NRS 422.29301 et  
23 seq., and NRS 108.850. Any payoff demand or instructions associated with the lien may  
24 include such additional Nevada Medicaid claims paid out up to and including September  
25 9, 2021.

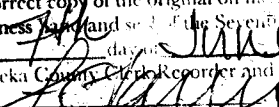
26           **IT IS SO ORDERED.**

27           DATED this 3<sup>rd</sup> day of MAY, 2021.

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DISTRICT COURT JUDGE

SEVENTH JUDICIAL DISTRICT COURT  
IN AND FOR THE COUNTY OF EUREKA } SS  
STATE OF NEVADA

I, the Undersigned County Clerk Recorder and Ex-Officio Clerk of the  
Seventh Judicial District Court do hereby certify that the foregoing is a true  
and correct copy of the original on file in my office.

Witness my hand and seal of the Seventh Judicial District Court  
This 21 day of June, 2021  
Eureka County Clerk Recorder and Ex-Officio Court Clerk  
By:  Deputy Clerk Recorder (Seal Affixed)