

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1254

S. P. 408

In Senate, March 15, 1979

On Motion of Senator Pierce of Kennebec, referred to the Committee on Health and Institutional Services. Sent down for concurrence and ordered printed.

Presented by Senator Perkins of Hancock.

Cosponsor: Senator Najarian of Cumberland.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Aid Recovery of Medicaid Funds.

Be it enacted by the People of the State of Maine, as follows:

22 MRSA § 14 is enacted to read:

§ 14. **Action against persons liable for injury to assistance recipients; assignment of claims**

1. **Recovery procedures.** When benefits are provided or will be provided to a beneficiary under the Medicaid program administered by the department pursuant to the Federal Social Security Act, Title XIX, because of an injury for which another person is civilly liable, the commissioner shall have the right to recover from that person the reasonable value of the benefits so provided. The Attorney General, or counsel for any fiscal intermediary with the permission of the Attorney General, may, to enforce this right, institute and prosecute legal proceedings against the 3rd person who is liable for the injury in the appropriate court, either in the name of the commission or in the name of the injured person, his guardian, personal representative, estate or survivor.

In the event that the recipient has already received compensation for injuries received from the party responsible, the commissioner may recover from the recipient the amount expended for aid in a civil action. The action shall be

prosecuted by the Attorney General and the amount recovered shall be credited to the account for the program which supplied aid to the recipient.

The commissioner may compromise, or settle and execute a release of, any claim or waive any claim, in whole or in part, for the convenience of the commissioner, or if the commissioner determines the collection will result in undue hardship upon the person who suffered the injury.

In any case in which 3rd-party liability is found under this section, the commissioner shall be subrogated to the rights of the individual for whom medical assistance was made available.

2. Condition for eligibility. As a condition for eligibility for benefits under the Medicaid program administered by the department pursuant to the Federal Social Security Act, Title XIX, the commissioner may require a recipient to assign to the department the right to recover from 3rd parties for injuries received for which the recipient receives medical benefits. The department's assigned right to recover shall be limited to the amount of medical benefits received by the recipient.

STATEMENT OF FACT

The Department of Human Services frequently pays for medical care under its Medicaid program for accident victims who later recover compensation from a party at fault. This bill allows the Commissioner of Human Services to recover the cost of the Medicaid expenditure from the party at fault or from the recipient, and to require the recipient to assign the right to make such recovery from a 3rd party as a condition of Medicaid eligibility.