

Summary of Statutory Requirements

§1902(a)(18) Requires that a State plan for medical assistance complies with the provision of §1917 with respect to an estate recovery plan.

§1902(a)(25) Defines third parties to include health insurers, self-insured plans, group health plans, service benefit plans, managed care plans, pharmacy benefit managers, and other third parties that are, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service.

§1902(a)(25) Requires that a State plan for medical assistance must provide that:

o States or local agencies take all reasonable measures to identify legally liable third parties including:

- Collection of health insurance information;
- Submission of a plan for pursuing claims against third parties;

o States pursue reimbursement from third parties;

o Mandatory pay and chase methods to be utilized in certain situations;

o A provider may not refuse to furnish services because of a potential third party's liability for payment;

o States prohibit health insurers from taking into account a person's Medicaid eligibility when enrolling an individual or paying benefits;

o States have laws in effect giving them the rights to payment by liable third parties and requiring third parties to honor those rights;

o States have laws in effect that require third parties to provide the State with coverage eligibility and claims data in a manner prescribed by the Secretary; and

o States have laws in effect that require health insurers to refrain from denying payment of claims submitted by Medicaid based on procedural reasons, (e.g., timely filing, failure to present third party card at point-of-sale, claim format).

§1902(a)(45) Provides for mandatory assignment of rights to payments for medical support and other medical care owed to recipients.

§1902(a)(60) Provide assurances satisfactory to the Secretary that the State has in effect laws relating to medical child support required under §1908 of the Act.

§1903(d)(2) Allows for reducing payments to States by the amount of TPL reimbursement.

§1903(o) Provides that Federal financial participation (FFP) is not available to a State if an insurer would have paid except for a Medicaid exclusionary clause.

§1903(p) Allows incentive payments for collecting and enforcing rights of support or payment assigned under §1912.

§1905(a) The definition of “medical assistance” expressly includes “insurance premiums for medical or any other type of remedial care or the cost thereof.”

§1906 Allows for enrollment of Medicaid eligibles in cost effective group health plans. States may choose to make enrollment a condition of eligibility.

§1908 Requires States to have specific laws in effect relating to medical child support that govern employers, insurers, title IV-D and Medicaid agencies. States are to:

- Prohibit specific discriminatory coverage practices by insurers;
- Require employers to deduct the costs of health insurance premiums from noncustodial parents' income;
- Permit providers to file claims and obtain reimbursement directly from insurers, without having to go through the non-custodial parent; and
- Provide for the garnishment of employment income and withholding of State tax refunds for reimbursement to Medicaid agency.

§1912(a)(1) Requires that a State plan for medical assistance require individuals to assign their rights to third party payment and to cooperate in establishing paternity and in identifying third parties to the Medicaid agency.

§1912(a)(2) Requires State plans to provide for entering into cooperative agreements for the enforcement of rights and collection of third party benefits. These agreements may be with the State title IV-D agency, any appropriate agency of any State, and appropriate court and law enforcement officials.

§1917(b) Requires States to have an estate recovery program in place to recover from deceased recipients' estates payments for certain Medicaid services.

§1917(b)(1)(B)(ii) - Eliminates from estate recovery, medical assistance for Medicare cost sharing for Medicare Savings Program benefits.