

HOUSE BILL REPORT

SB 5954

As Passed House:

April 7, 1999

Title: An act relating to torts committed against recipients of state assistance.

Brief Description: Claiming the proceeds recovered on behalf of recipients of state assistance.

Sponsors: Senators Kline, Eide and Thibaudeau; by request of Department of Social and Health Services.

Brief History:

Committee Activity:

Health Care: 4/1/99 [DP].

Floor Activity:

Passed House: 4/7/99, 90-0.

Brief Summary of Bill

- Allows the state to establish a trust account with the court to recover the amount owed for medical bills paid to Medicaid clients who have received a settlement in a related personal injury suit.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: Do pass. Signed by 7 members: Representatives Cody, Democratic Co-Chair; Parlette, Republican Co-Chair; Pflug, Republican Vice Chair; Alexander; Campbell; Conway and Edmonds.

Staff: Antonio Sanchez (786-7383).

Background:

The Medical Assistance Program is a health insurance program for low-income people. The program is commonly referred to as Medicaid.

Present law requires notice to the Department of Social and Health Services (DSHS) when an individual recovers personal injury damages. In some cases, despite notice, DSHS has not recouped any benefits from personal injury monies because the money has been disbursed.

When a medical assistance client sues the person responsible for their injury due to negligence, the state pays the medical bills until the suit is settled.

Summary of Bill:

Any person who receives Medicaid because of injury caused by the negligence or wrong doing of another, and who recovers money from personal injury litigation, must place the amount necessary to fully satisfy the department's lien in a trust account or the registry of the court until the lien is satisfied.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill gives the state a more efficient and effective tool for recovering money owed the state.

Testimony Against: None.

Testified: (support) Tom Bedell, Medical Assistance Administration, Department of Social and Health Services.