

SENATE BILL REPORT

SB 5954

As Passed Senate, March 13, 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 & Long-Term Care: 3/1/99, 3/3/99 [DP].
Passed Senate, 3/13/99, 45-0.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Thibaudeau, Chair; Wojahn, Vice Chair; Costa, Deccio, Franklin, Johnson and Winsley.

Staff: Joan K. Mell (786-7447)

Background: The Department of Social and Health Services (DSHS) requests legislation to assist it in its recoupment of benefits paid. The Medical Assistance Administration seeks to augment statutory provisions that enable the department to collect its subrogation interest in tort recoveries collected by individuals receiving Medicaid. Present law requires notice to 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.

Summary of Bill: If a person receives Medicaid money because of injury caused by the negligence or wrong doing of another, and the person recovers money from personal injury litigation, the personal injury money, in an amount necessary to fully satisfy the department's lien, must be placed in a trust account or the registry of the court until the lien is satisfied. In addition to Medicaid money, the trust account provision applies to costs for residential care at a hospital for the mentally ill or a habilitative care center for the developmentally disabled.

Appropriation: None.

Fiscal Note: Requested on February 26, 1999.

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

Testimony For: This bill has been agreed to by the trial lawyers and enables the Department of Social and Health Services to do a better job collecting Medicaid liens on personal injury settlements.

Testimony Against: None.

Testified: Tom Bedell, DSHS Medical Assistance (pro).