

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Allow the State Timely Opportunity To Participate in Settlement Negotiations for MaineCare Benefits

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

Sec. 1. 22 MRSA §14, sub-§2-D, as amended by PL 2003, c. 20, Pt. K, §2, is further amended to read:

2-D. Notification of claim. A recipient under the MaineCare program, or anyan agent, representative or attorney representing a recipient under the MaineCare program, who makes a claim to recover the medical cost of injury, disease, disability or similar occurrence for which the party received medical benefits under the MaineCare program shall advise notify the department in writing withprior to settlement negotiations and provide information as required by the department of the existence of the claim. The notification must provide timely opportunity for the department, at its discretion, to participate in all settlement discussions and the allocation of settlement funds for MaineCare benefits paid. If adequate opportunity to participate is not given and the department's ability to recover for benefits paid is compromised, the department may institute legal proceedings against a recipient, including the agent, representative or attorney of that recipient, who has received a settlement or award from a 3rd party. The department may accept a letter of MaineCare claim protection in lieu of participation and allocation.

Sec. 2. 22 MRSA §14, sub-§2-E, as amended by PL 2003, c. 20, Pt. K, §2, is further amended to read:

2-E. Notification of pleading. In anyan action to recover the medical cost of injury, disease, disability or similar occurrence for which the party received medical benefits under the MaineCare program, the party bringing the action shall notify the department of that action at least 10 days prior to filing the pleadings. The notification must provide timely opportunity for the department, at its discretion, to intervene in all actions as an interested party. If adequate opportunity to intervene is not given and the department's ability to recover for benefits paid is compromised, the department may institute legal proceedings against a recipient, including the agent, representative or attorney of that recipient, who has received a settlement or award from a 3rd party. The department may accept a letter of MaineCare claim protection in lieu of intervention. Department records indicating medical benefits paid by the department on behalf of the recipient are prima facie evidence of the medical expenses incurred by the recipient for the related medical services.

SUMMARY

Current Maine law requires recipients or their attorneys to notify the Department of Health and Human Services when they make a claim to recover the medical costs that were paid by MaineCare. The current law does not specify when the notification must be made. A recent U.S. Supreme Court decision, *Arkansas v. Ahlborn*, requires states to further refine their laws to allow states to participate in

negotiations in a timely manner. This bill grants the State that authority by requiring that notification be made prior to when settlement negotiations begin.