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**NCOIL ADOPTS MODEL LAW TO HELP MEDICAID RECOUP
MONEY FROM BODILY INJURY CLAIMS**

Troy, New York, November 28, 2014 — NCOIL legislators at their San Francisco Annual Meeting unanimously adopted a model law that gives states a new way to reduce Medicaid expenses. The *Model Act Regarding Medicaid Interception of Insurance Payments*, adopted by the NCOIL Executive Committee on November 23, would make it easier for states to learn about property-casualty insurance claims that Medicaid beneficiaries file, in order for Medicaid to recoup the money it paid for the beneficiaries' healthcare treatment.

The model act is based on a Rhode Island law in place since 2012. According to Rep. Brian Kennedy (RI), sponsor of the model law and an NCOIL past president:

As states look for ways to help reduce their Medicaid costs, the NCOIL model act offers an important opportunity to recoup potentially millions of dollars in Medicaid payments without imposing undue costs on insurers. Medicaid spending is one of the most significant budgetary items in states across the country, so anything that can be done—particularly a commonsense approach like the Medicaid interception system—is critical and a potential solution on which NCOIL should offer guidance.

"I've seen how Medicaid interception has recovered millions for my home state of Rhode Island," Rep. Kennedy noted, "and I'm confident that the benefits to other states, both large and small, also could be significant."

The NCOIL model would establish a reporting process by which Medicaid departments would learn of and recoup payments made by property-casualty insurers and self-insureds to Medicaid beneficiaries. The model centers on the fact that when a person signs up for Medicaid, he or she agrees that Medicaid has the right to be reimbursed what it pays for the person's healthcare when the person also receives non-Medicaid money for the same care.

The new NCOIL model applies to bodily injury claims of \$2,000 or more and (1) creates an appeals process, (2) allows a beneficiary's representative to assert a lien for attorney's fees, (3) provides for confidentiality of data, and (4) gives immunity to the parties involved in interception of payments.

The NCOIL Property-Casualty Insurance Committee overwhelmingly adopted the *Model Act Regarding Medicaid Interception of Insurance Payments* on November 20. The Annual Meeting took place from November 19 to 23.

NCOIL is an organization of state legislators whose main area of public policy interest is insurance legislation and regulation. Most legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at www.ncoil.org.

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