



National Association of State Medicaid Directors

an affiliate of the American Public Human Services Association

Status of State Legislative Initiatives to Comply with Section 6035 of the federal Deficit Reduction Act of 2005

Updated as of May 7, 2007

The Deficit Reduction Act of 2005 (P.L. 109-761) made several changes to the third party liability policies of the Medicaid program. Specifically Section 6035 of the DRA amended section 1902(a)(25) to:

- Clarify which specific entities are considered “third parties” and “health insurers” that may be liable for payment and that cannot discriminate against individuals based on their eligibility for Medicaid; and
- Require that states pass laws requiring health insurers:
 - Provide the state with coverage, eligibility and claims data needed by the state to identify potentially liable third parties;
 - Honor the assignment to the state of a Medicaid recipient’s right to payment by such insurers for health care items or services; and
 - Not deny such assignment or refuse to pay claims submitted by Medicaid based on procedural reasons

States must submit a state plan amendment (SPA) to CMS indicating that the required laws are in effect in the state. Some states may have already had such laws in place while many others needed to enact the required legislation and submit the SPA as soon as the legislation was enacted.

NASMD has partnered with the National Conference of State Legislatures (NCSL) to develop a chart summarizing state efforts to pass the required legislation. We will update this document as a resource for states still working to approve legislation. If your state is considering or has passed legislation that is not listed below, please contact Andrea Maresca with NASMD at amaresca@aphsa.org or 202-682-0100x292. This information also will be posted on the NASMD website at:

http://www.nasmd.org/issues/CPBTPL_resources.asp

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	Legislation	Status	Effective Date	Status of SPA
Alabama	HB720 was and has been referred to committee. http://alisdb.legislature.state.al.us/acas/searchableinstruments/2007rs/bills/hb720.htm	Under consideration in the House		
Alaska	Section 1 AS 21.09	Passed in 2006 session of the assembly		
Arizona	SB 1533, AHCCCS; insurer claims data reporting http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=sb1533&image.x=12&image.y=6	Under consideration	Would be effective from & after 9/31/2007	
Arkansas	HB 1471 http://www.arkleg.state.ar.us/ftpoot/acts/2007/public/act537.pdf (text) http://www.arkleg.state.ar.us/	Signed into Act 537 by Governor, 3/28/2007		
California	Under consideration with the State's Budget Authority	Under consideration	Effective once enacted with California Budget	To be completed once legislation approved
Connecticut	Bill 1128, "An Act Implementing the Governors Budget Recommendations with Respect to Social Services Programs" (Sections 18-20) http://www.cga.ct.gov/2007/TOB/S/2007SB-01128-R00-SB.htm	Under consideration	Would be effective July 1, 2007	
Delaware	HB 101 http://www.legis.state.de.us/LIS/LIS144.nsf/vwLegislation/HB+101?OpenDocument	Under consideration in the House	Would be effective at enactment	
Kansas	SB 323 http://www.kslegislature.org/legsrv-bills/searchBillNumber.do	Passed the Senate, referred to House	Would be effective at time of publication	

Kentucky	HB 431 http://www.lrc.ky.gov/record/07RS/HB431.htm	Passed the House, under consideration in Senate		
Illinois	SB 1518 http://www.ilga.gov/legislation/BillStatus.asp?DocNum=1518&GAID=9&DocTypeID=SB&LegId=29623&SessionID=51&GA=95	Passed Senate, under consideration in the House	Would be effective at enactment	
Louisiana	In 1986, La Rev St 44:14 was enacted to require insurers to provide information on their insureds to the state for crossmatch purposes. Since that time, the state insurers have received information from Medicaid which insurers crossmatched against their own membership lists. In early 2007, DHH promulgated an emergency regulation, found at 50 LAC ADC Pt I, Sec 315 (LAC 50:I:8315) requiring payors to submit an initial, secure, encrypted electronic file of members with comprehensive contracts with effective dates as of the promulgation of the rule, which were processed before that date. 2007 Assembly session is addressing the DRA provisions.	Pending legislation		
Maryland	SB 953 HB 1313 http://mlis.state.md.us/2007RS/billfile/sb0953.htm#Exbill	Passed the Senate, under consideration in the House	Would be effective 6/1/2007	
Michigan	HB 6603 http://www.legislature.mi.gov/documents/2005-2006/publicact/htm/2006-PA-0593.htm	Signed into law by Governor as Act No. 593, Public Acts of 2006, 12/30/2006	Effective 1/3/2007	

Mississippi	SB 2279 http://billstatus.ls.state.ms.us/2007/pdf/history/SB/SB2279.htm#text http://billstatus.ls.state.ms.us/documents/2007/pdf/SB/2200-2299/SB2279PS.pdf HB 528 http://index.ls.state.ms.us/isysnative/UzpcRG9jdW1lbnRzXDIwMDdcbm90ZGVhZFxoYlwwNTAwLTA1OTlcaGIwNTI4cHMucGRm/hb0528ps.pdf#xml=http://10.240.72.35/isysquery/irl5a99/21/hilite	SB 2279 Passed the Senate, died in House committee HB 528 agreed to by House and Senate through conference report, 3/27/2007		
Minnesota	Minn. Statutes 62A.045 http://ros.leg.mn/bin/getpub.php?pubtype=STAT_CHAP_SEC&year=current&section=62A.045&image.x=12&image.y=3	Statute amended in 2006	Effective retroactive to the federal date of enactment of DRA.	SPA submitted (end of quarter, 3/31/07 to be eff. 01/01/07)
Montana	HB 77, "Right of recovery under Medicaid provisions of the deficit reduction act" http://laws.leg.mt.gov/pls/laws07/LAW0203W\$BSRV.ActionQuery?P_BLP_BILL_TYP_CD=HB&P_BILL_NO=77&P_BILL_DFT_NO=&P_CHPT_NO=&Z_ACTION=Find&P_SBJ_DESCR=&P_SBJT_SBJ_CD=&P_LST_NM1=&P_ENTY_ID_SEQ=	Passed House, under consideration in the Senate 4/2/2007		
Nevada	SB 529 www.leg.state.nv.us → session information → 2007 session → "bills"	Pending		
New Mexico	SB 411 http://legis.state.nm.us/lcs/_session.asp?chamber=S&type=++&number=411&Submit=Search&year=07 HB 832 http://legis.state.nm.us/lcs/_session.asp?chamber=H&type=++&number=832&Submit=Search&year=07	Passed Senate, Passed House,		
North Carolina	HB 708 (budget bill - SECTION 10.24.(b) G.S. 135□40.13A as rewritten) http://www.ncga.state.nc.us/Sessions/2007/Bills/House/HTML/H708v1.html	Under consideration in House		

North Dakota	SB 2131 http://www.legis.nd.gov/assembly/60-2007/bill-index/bi2131.html http://www.legis.nd.gov/assembly/60-2007/bill-text/HQSE0300.pdf	Signed into law by Governor, 3/7/2007		
Ohio	HB 119 http://www.legislature.state.oh.us/BillText127/127_HB_119_I_N.html (Sec. 5101.571 as revised)	Under consideration in the House		
Oklahoma	SB 890 "Public health and safety; providing for third party liability in Medicaid" http://webserver1.lsb.state.ok.us/WebBillStatus/main.html SB 465,	Senate passed SB 890 and referred to House committee; SB 465 referred to committee		
South Dakota	http://legis.state.sd.us/sessions/2007/DisplayBill.aspx	Signed into law, 2/23/07	Effective 7/1/07	CMS approved SPA
Texas	Under discussion; none introduced as of 4/16/2007			
Utah	S.B. 117 "Medicaid Recovery Amendments" http://le.utah.gov/~2007/htmdoc/sbillhtm/SB0117.htm	Signed into law by Governor, 3/7/2007		
Virginia	HB 3138 http://leg1.state.va.us/cgi-bin/legp504.exe?071+ful+HB3138ER	Signed into law by Governor, 3/19/2007 Chapter 535 (effective 7/1/07)		
Washington		Signed into law 4/21/2007		