

200.499 Recovery of costs from third-party payments -- Filing of claims.

- (1) An applicant for or recipient of medical services provided by or paid for by the Office for Children with Special Health Care Needs shall inform the office of any rights that the applicant or recipient has to third-party payments for medical services at the time of initial application for services or at any time thereafter when such third-party payment should become available. The office shall automatically be subrogated to any rights the recipient has to third-party payment for medical services.
- (2) The office shall recover the full cost of medical services provided to a recipient and shall recover any payments made for medical services on his behalf directly from:
 - (a) Any third party liable to make a medical benefit payment to the provider of the recipient's medical services or to the recipient under the terms and provisions of any contract, health insurance policy, health insurance plan, settlement, or award;
 - (b) The recipient, if he or she has received third-party payment for medical services that have been provided to him; or
 - (c) The provider of the recipient's medical services if third-party payment for medical services has been recovered by the provider.
- (3) A recipient of medical services provided by the office or paid for by the office shall be deemed to have made an assignment to the office of any right such recipient has to any payment for such medical services from a third party.
- (4) A recipient of medical services provided by the office or paid for by the office shall be deemed to have provided the office the authority to release medical information with respect to such medical services for the purpose of obtaining reimbursement from a third party.
- (5) The office may, in order to enforce its subrogation rights under this section, institute, intervene in, or join any legal proceeding against any third party against whom recovery rights arise. No action taken by the office shall operate to deny the recipient recovery for that portion of his damage not subrogated to the office and no action of the recipient shall prejudice the subrogation rights of the office.
- (6) When the office provides, pays for, or becomes liable for the medical services, and their costs, of a recipient, it shall have a lien for the full amount of the cost of such medical services upon any and all causes of action which accrue to the recipient or to his legal representatives, as a result of sickness, injury, disease, disability, or death due to the liability of a third party which necessitated the medical service. The office shall have one (1) calendar year from the date when the last item of medical services relative to a specific accident or spell of illness was provided or paid for in which to file its verified lien statement. The statement shall be filed with the clerk of the Circuit Court in the recipient's county residence. The verified lien statement shall contain the name and address of the recipient of medical services; the date of the injury or accident; the name and address of the vendor or vendors furnishing medical services to the recipient; the date of the medical services; the amount claimed to be due the office for the medical services provided or paid for; and, to

the best knowledge of the office, the names and addresses of all persons or corporations claimed to be liable for damages arising from the injuries. The office's failure to file a lien shall not affect the office's subrogation rights provided for in subsection (1) of this section.

- (7) In recovering any payment in accordance with this action, the office is authorized to make appropriate settlements.

Effective: July 14, 2018

History: Amended 2018 Ky. Acts ch. 114, sec. 14, effective July 14, 2018. -- Created 1988 Ky. Acts ch. 274, sec. 3, effective July 15, 1988.