On page 22, line 5, after "The office", by deleting "shall pursue all" and inserting "may pursue" in lieu thereof; and

On page 61, in between lines 20 and 21, by inserting the following new section and renumbering all subsequent sections accordingly:

"Section 29. KRS 205.520 is amended to read as follows:

(1) KRS 205.510 to 205.630 shall be known as the "Medical Assistance Act."

(2) The General Assembly of the Commonwealth of Kentucky recognizes and declares that it is an essential function, duty, and responsibility of the state government to provide medical care to its indigent citizenry; and it is the purpose of KRS 205.510 to 205.630 to provide and preserve such care.

(3) Further, it is the policy of the Commonwealth to provide discretion to the secretary of the Cabinet for Health and Family Services to take advantage of all federal funds that may be available for medical assistance after consideration of the impact of the federal requirements on the state, including any required state match and other budgetary considerations. To qualify for federal funds the secretary for health and family services may by administrative regulation comply with any requirement that may be imposed or opportunity that may be presented by federal law. Nothing in KRS 205.510 to 205.630, or in any other statute, is intended to limit the secretary's power in this respect or to require
the secretary to pursue available federal funds.

(4) It is the intention of the General Assembly to comply with the provisions of Title XIX of the Social Security Act that require that the Kentucky Medical Assistance Program recover from third parties that have a legal liability to pay for care and services paid by the Kentucky Medical Assistance Program.

(5) The Kentucky Medical Assistance Program shall be the payor of last resort and its right to recover under KRS 205.622 to 205.630 shall be superior to any right of reimbursement, subrogation, or indemnity of any liable third party.". 

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