

# HOUSE BILL No. 4816

May 24, 2001, Introduced by Reps. Hart, Switalski, Rivet, Ruth Johnson, Pestka and Kooiman and referred to the Committee on Health Policy.

A bill to amend 1939 PA 280, entitled  
"The social welfare act,"  
(MCL 400.1 to 400.119b) by adding section 106a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 106A. THE DEPARTMENT OF COMMUNITY HEALTH IS SUBROGATED  
2 TO A RIGHT OF RECOVERY THAT A PATIENT HAS FOR THE COST OF HOSPI-  
3 TALIZATION, PHARMACEUTICAL SERVICES, PHYSICIAN SERVICES, NURSING  
4 SERVICES, AND OTHER MEDICAL SERVICES NOT TO EXCEED THE AMOUNT OF  
5 MONEY EXPENDED BY THE DEPARTMENT OF COMMUNITY HEALTH FOR THE CARE  
6 AND TREATMENT OF THE PATIENT. THE PATIENT OR OTHER PERSON ACTING  
7 IN THE PATIENT'S BEHALF SHALL EXECUTE AND DELIVER AN ASSIGNMENT  
8 OF CLAIM OR OTHER AUTHORIZATION AS NECESSARY TO SECURE THE RIGHT  
9 OF RECOVERY TO THE DEPARTMENT. A PAYMENT MAY BE WITHHELD UNDER  
10 THIS ACT FOR MEDICAL ASSISTANCE FOR AN INJURY OR DISABILITY FOR  
11 WHICH THE PATIENT IS ENTITLED TO MEDICAL CARE OR REIMBURSEMENT

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1 FOR THE COST OF MEDICAL CARE UNDER CHAPTER 31 OF THE INSURANCE  
2 CODE OF 1956, 1956 PA 218, MCL 500.3101 TO 500.3179, OR UNDER  
3 ANOTHER POLICY OF INSURANCE PROVIDING MEDICAL OR HOSPITAL BENE-  
4 FITS, OR BOTH, FOR ANOTHER THE PATIENT UNLESS THE PATIENT'S ENTI-  
5 TLEMENT TO THAT MEDICAL CARE OR REIMBURSEMENT IS AT ISSUE. IF A  
6 PAYMENT IS MADE, THE DEPARTMENT OF COMMUNITY HEALTH, TO ENFORCE  
7 ITS SUBROGATION RIGHT, MAY DO EITHER OF THE FOLLOWING:

8 (A) INTERVENE OR JOIN IN AN ACTION OR PROCEEDING BROUGHT BY  
9 THE INJURED, DISEASED, OR DISABLED PERSON, OR THE PERSON'S GUARD-  
10 IAN, PERSONAL REPRESENTATIVE, ESTATE, DEPENDENTS, OR SURVIVORS,  
11 AGAINST THE THIRD PERSON WHO MAY BE LIABLE FOR THE INJURY, DIS-  
12 EASE, OR DISABILITY OR AGAINST PUBLIC OR PRIVATE CONTRACTORS WHO  
13 MAY BE LIABLE TO PAY OR PROVIDE MEDICAL CARE AND SERVICES  
14 RENDERED TO AN INJURED, DISEASED, OR DISABLED PATIENT.

15 (B) INSTITUTE AND PROSECUTE A LEGAL PROCEEDING AGAINST A  
16 THIRD PERSON WHO MAY BE LIABLE FOR THE INJURY, DISEASE, OR DIS-  
17 ABILITY OR AGAINST A PUBLIC OR PRIVATE CONTRACTOR WHO MAY BE  
18 LIABLE TO PAY OR PROVIDE MEDICAL CARE AND SERVICES RENDERED TO AN  
19 INJURED, DISEASED, OR DISABLED PATIENT, IN STATE OR FEDERAL  
20 COURT, EITHER ALONE OR IN CONJUNCTION WITH THE INJURED, DISEASED,  
21 OR DISABLED PERSON OR THE PERSON'S GUARDIAN, PERSONAL REPRESENTA-  
22 TIVE, ESTATE, DEPENDENT, OR SURVIVOR.

23 Enacting section 1. This amendatory act does not take  
24 effect unless all of the following bills of the 91st Legislature  
25 are enacted into law:

26 (a) Senate Bill No. \_\_\_\_\_ or House Bill No. 4817 (request  
27 no. 00899'01 \*).

1 (b) Senate Bill No. \_\_\_\_\_ or House Bill No. 4815 (request  
2 no. 03546'01).