ALABAMA MEDICAID AGENCY
ADMINISTRATIVE CODE

CHAPTER 560-X-20
THIRD PARTY

560-X-20-.07 Recipient Responsibility.

(1) The Alabama Medicaid Agency by statute is subrogated to the rights of a Medicaid recipient against any third party arising out of injury, disease, or sickness. Medicaid recipients are required to assist and cooperate fully with Alabama Medicaid Agency in its efforts to secure such rights including the requirement to:

(a) Notify Alabama Medicaid Agency within ten days of filing suit against a third party;

(b) Notify Alabama Medicaid Agency, Third Party Division, prior to entering any settlement with a third party;

(c) Immediately pay to Alabama Medicaid Agency all funds received from any third party to the extent necessary to satisfy the subrogation rights of the State of Alabama;

(d) Disclose information regarding health insurance or other third party resources when applying for Medicaid;

(e) Notify providers of medical care of health and casualty coverage and other third party resources when requesting medical care. Recipients are required to comply with their primary plans guidelines by utilizing network providers and obtaining prior authorizations when required.

(f) Notify Alabama Medicaid Agency of any health insurance obtained after becoming eligible for Medicaid;

(g) Notify Alabama Medicaid Agency, Third Party Division, of any casualty/liability insurance which may cover medical treatment received due to an injury;

(h) Execute and deliver all instruments and papers needed by Alabama Medicaid Agency in pursuit of its subrogation claim.

(2) The State of Alabama by statue is assigned any and all rights to benefits payable and/or payments made by any person, firm or corporation which result from medical care received by the recipient, together with the rights of any other individuals eligible for Medicaid for whom the recipient can make assignment. This assignment shall be effective to the extent of the amount of medical assistance actually paid by the Agency and shall, effective 11/9/84, exclude Medicare. The recipient is required to

assist and cooperate fully with Alabama Medicaid Agency in its effort to secure such rights.

(3) Failure of the applicant or recipient to cooperate with the Medicaid Program to secure its rights to subrogation and assignment may result in denial or termination of Medicaid eligibility. Recipients terminated under this Rule will be notified in writing of the agency action and afforded the opportunity for a Fair Hearing under the provisions of Chapter 3 of these Rules.

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Statutory Authority: Code of Ala. 1975, §§22-6-6, 22-6-6-.1, 42 CFR §§432 and 433; Section 1902(a)(25), Social Security Act.
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