

AN ACT

RELATING TO PUBLIC ASSISTANCE; PROVIDING A STATUTE OF  
LIMITATIONS ON THIRD PARTY LIABILITY CLAIMS; AMENDING A  
SECTION OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 27-2-23 NMSA 1978 (being Laws 1969,  
Chapter 232, Section 1) is amended to read:

"27-2-23. THIRD PARTY LIABILITY.--

A. The income support division of the department shall make reasonable efforts to ascertain any legal liability of third parties who are or may be liable to pay all or part of the medical cost of injury, disease or disability of an applicant for or recipient of medical assistance pursuant to the provisions of Chapter 27 NMSA 1978.

B. When the department makes medical assistance payments on behalf of a recipient, the department is subrogated to any right of the recipient against a third party for recovery of medical expenses to the extent that the department has made payment.

C. Health insurers, including self-insured plans, group health plans, service benefit plans, managed care organizations, pharmacy benefit managers or other parties, that are, by statute, contract or agreement, legally responsible for payment of a claim for a health care item or

service, as a condition of doing business with New Mexico, shall:

(1) provide, with respect to individuals who are eligible for or are provided medical assistance under the medicaid program, upon the request of the state, information to determine during what period the individual, the individual's spouse or the individual's dependents may be, or may have been, covered by a health insurer and the nature of the coverage provided by the health insurer, including the name, address and identifying number of the plan;

(2) accept New Mexico's right of recovery and the assignment to New Mexico of any right of an individual or other entity to payment from the party for an item or service for which payment has been made under the medicaid program;

(3) respond to any inquiry by New Mexico regarding a claim for payment for any health care item or service that is submitted no later than three years after the date of the provision of such health care item or service; and

(4) agree not to deny a claim submitted by New Mexico solely on the basis of the date of submission of the claim by the provider, the type of the claim form or a failure to present proper documentation at the point-of-sale that is the basis of the claim, if:

(a) the claim is submitted by New

Mexico within the three-year period beginning on the date on which the item or service was furnished; and

(b) any action by New Mexico to enforce its rights with respect to such claim is commenced within six years of New Mexico's submission of such claim.

D. Nothing in this section shall be construed to preclude the application of common law principles in determining equitable reimbursement from any third-party source for New Mexico or a health insurer, including self-insured plans, group health plans, service benefit plans, managed care organizations, pharmacy benefit managers or other parties."

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