

HOUSE BILL NO. 743

INTRODUCED BY MILLER

BY REQUEST OF THE DEPARTMENT OF SOCIAL AND
REHABILITATION SERVICES

IN THE HOUSE

February 9, 1985	Introduced and referred to Committee on Human Services and Aging.
February 13, 1985	Fiscal Note requested.
February 19, 1985	Fiscal Note returned.
February 22, 1985	Committee recommend bill do pass. Report adopted. Statement of Intent attached. Bill printed and placed on members' desks.
February 25, 1985	Second reading, do pass. Considered correctly engrossed.
February 26, 1985	Third reading, passed. Transmitted to Senate.

IN THE SENATE

March 4, 1985	Introduced and referred to Committee on Public Health, Welfare and Safety.
March 19, 1985	Committee recommend bill be concurrred in as amended. Report adopted.
March 22, 1985	Second reading, concurrred in as amended.

March 25, 1985

Third reading, concurred in.
Ayes, 49; Noes, 0.

Returned to House with
amendments.

IN THE HOUSE

March 26, 1985

Received from Senate.

April 8, 1985

Second reading, amendments
concurred in.

On motion rules suspended and
bill placed on third reading
this day.

Third reading, amendments
concurred in.

Sent to enrolling.

Reported correctly enrolled.

1 HOUSE BILL NO. 743
 2 INTRODUCTION BY WILL
 3 BY REQUEST OF THE DEPARTMENT OF SOCIAL AND
 4 REHABILITATION SERVICES

5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE
 7 SUBROGATION RIGHTS OF THE DEPARTMENT OF SOCIAL AND
 8 REHABILITATION SERVICES REGARDING THE PROVISION OF MEDICAL
 9 BENEFITS ON BEHALF OF A PERSON FOR WHOM A THIRD PARTY IS
 10 LIABLE; AMENDING SECTIONS 53-2-612 AND 53-3-103, MCA."

11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 53-2-612, MCA, is amended to read:
 14 "53-2-612. Subrogation and third party liability for
 15 certain benefits. (1) The department is subrogated to the
 16 right of each needy-person-who-is-a recipient or beneficiary
 17 of medical benefits ~~under Title XIX or XX of the Social~~
 18 ~~Security Act~~ to recover damages or compensation from a third
 19 party to the extent necessary to reimburse the department
 20 for medical benefits paid to or on behalf of the needy
 21 person recipient or beneficiary. Upon determination that a
 22 third party is liable for the medical expenses of a needy
 23 person recipient or beneficiary under this section, the
 24 department shall immediately notify the third party of the
 25 subrogation.

1 (2) The department may, in the name of the needy
 2 person recipient or beneficiary to whom or on whose behalf
 3 medical benefits have been paid and to whose rights the
 4 department has been subrogated, commence and prosecute to
 5 final conclusion any action which may be necessary to
 6 recover from a third party compensation or damages for
 7 medical costs incurred by the needy-person recipient or
 8 beneficiary. ~~From the amount collected from legal~~
 9 ~~proceedings or as a result of settlement, the department~~
 10 ~~shall retain the full amount previously paid as medical~~
 11 ~~benefits, allocating to the county and federal government a~~
 12 ~~share proportionate to their contribution and, after~~
 13 ~~deducting the costs of the proceeding, deliver the remainder~~
 14 ~~to the needy person. The total amounts awarded as~~
 15 ~~compensation for pain and suffering or which are punitive in~~
 16 ~~nature shall be delivered to the needy person. This section~~
 17 does not affect the needy-person's right of the recipient or
 18 beneficiary to initiate and prosecute to final conclusion an
 19 action for damages or compensation in his own name in
 20 accordance with the provisions of this section.

21 (3) From the amount collected from legal proceedings
 22 or as a result of settlement, reasonable attorney fees and
 23 costs must be deducted first. The amount previously paid as
 24 medical benefits by the department, less a pro rata share of
 25 attorney fees and costs, must be deducted next and paid to



1 the department. The remainder must be paid to the recipient
 2 or beneficiary. However, any recipient or beneficiary who
 3 initiates an action to recover damages or compensation shall
 4 receive no less than one-third of the total amount recovered
 5 after the deduction of reasonable attorney fees and costs.

6 ~~{3}~~(4) A ~~needy---person---who---is--a~~ recipient or
 7 beneficiary of medical benefits or his legal representative
 8 shall notify the department ~~of any action initiated or of~~
 9 ~~any compromise or settlement agreed to by the needy person~~
 10 ~~or his legal representative for the recovery of compensation~~
 11 ~~or damages for medical expenses to which medical benefits~~
 12 ~~have been applied. Notice shall be given by service upon the~~
 13 ~~department of the legal instrument initiating the action or~~
 14 ~~embodying the compromise or settlement. by means of a~~
 15 certified letter if the recipient or beneficiary or his
 16 legal representative asserts a claim against a third party
 17 or his insurer for damages or compensation for an injury for
 18 which the department paid medical benefits in whole or in
 19 part. The notice must be mailed to the director of the
 20 department and must contain the following information:

21 (a) the name and address of the recipient or
 22 beneficiary;

23 (b) the name of the third party alleged to be liable
 24 to the recipient or beneficiary;

25 (c) the name and address of any known insurer of the

1 third party; and

2 (d) the judicial district and docket number of any
 3 action filed.

4 ~~{4}--No portion of attorneys' fees may be withheld from~~
 5 ~~the amount collected from legal proceedings or as a result~~
 6 ~~of settlement which is due the department under subsection~~
 7 ~~{1} without prior approval of the department.~~

8 (5) (a) No recipient or beneficiary who has received
 9 medical assistance from the department as a result of an
 10 injury which creates a claim or cause of action may release
 11 the liable third party or his insurer from liability to the
 12 department. If any liable third party or his insurer, after
 13 receiving notice of the department's subrogation claim,
 14 makes payment on account of injury or death and the
 15 department has not been reimbursed for the medical benefits
 16 paid on behalf of the recipient or beneficiary, the insurer
 17 or third party is liable to the department for the amount of
 18 medical benefits paid by the department.

19 (b) The notice requirements of subsection (5)(a) are
 20 satisfied if:

21 (i) the insurer receives from the department, by
 22 certified mail, a statement of the claims paid or medical
 23 services rendered by the department, together with a claim
 24 for reimbursement; or

25 (ii) the insurer receives a claim from a recipient or

1 beneficiary stating that the recipient or beneficiary has
 2 applied for or has received medical assistance from the
 3 department in connection with the same claim.

4 †5) (6) As used in this section, "third party" means an
 5 individual, institution, corporation, or public or private
 6 agency which is or may be liable to pay all or part of the
 7 medical cost of injury, disease, or disability of a needy
 8 ~~person--to--which--Title--XIX--or--XX--benefits--have--been--applied~~
 9 recipient or beneficiary of medical benefits from the state
 10 or county and includes but is not limited to insurers,
 11 health service organizations, and those liable in tort."

12 Section 2. Section 53-3-103, MCA, is amended to read:

13 "53-3-103. Medical aid and hospitalization for
 14 indigent. (1) Except as provided in other parts of this
 15 title, medical aid and hospitalization for county residents
 16 and nonresidents within the county unable to provide these
 17 necessities for themselves are the legal and financial
 18 responsibility of the county commissioners and are payable
 19 from the county poor fund. The county commissioners shall
 20 make provisions for competent and skilled medical or
 21 surgical services. "Medical" or "medicine" as used in this
 22 section refers to the healing art as practiced by licensed
 23 practitioners.

24 (2) The board, in arranging for medical care for those
 25 unable to provide it for themselves, may have the care

1 provided by physicians appointed by the board who shall be
 2 known as county physicians or deputy county physicians and
 3 may fix a rate of compensation for the furnishing of the
 4 medical attendance.

5 (3) The department may promulgate rules to determine
 6 under what circumstances persons in the county are unable to
 7 provide medical aid and hospitalization for themselves,
 8 including the power to define the term "medically needy".
 9 However, the definition may not allow payment by a county
 10 for general assistance--medical for persons whose income
 11 exceeds 300% of the limitation for obtaining regular county
 12 general relief assistance or for persons who are eligible
 13 for medicaid in accordance with Title 53, chapter 6, part 1,
 14 or for persons who have the right or are entitled to medical
 15 aid and hospitalization from the federal government or any
 16 agency thereof.

17 (4) In any case where the county or state pays medical
 18 expenses or hospitalization for an individual, the county or
 19 state is subrogated to the claims of the physician or
 20 hospital to the extent of payment. To the extent necessary
 21 for reimbursement of medical benefits paid to or on behalf
 22 of an individual, the county or state is subrogated to the
 23 rights of the individual to recover from a third party who
 24 may be liable to pay the medical expenses. The provisions of
 25 53-2-612 ~~which--relate--to--medical--benefits--provided--under~~

1 ~~Title--XIX-or-XX-of-the-Social-Security-Act~~ apply to medical
2 benefits provided for in this section."

3 NEW SECTION. Section 3. Severability. If a part of
4 this act is invalid, all valid parts that are severable from
5 the invalid part remain in effect. If a part of this act is
6 invalid in one or more of its applications, the part remains
7 in effect in all valid applications that are severable from
8 the invalid applications.

-End-

STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN424-85

Form BD-15

In compliance with a written request received February 13, _____, 19 85, there is hereby submitted a Fiscal Note for H.B. 743 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill for an act entitled: "An act to clarify the subrogation rights of the Department of Social and Rehabilitation Services regarding the provision of medical benefits on behalf of a person for whom a third party is liable.

ASSUMPTIONS:

1. There will be 60 tort related accident cases for which SRS will pay the medical expenditure each year of the biennium.
2. The average medical expenditure will be \$10,000 per case.
3. The average recovery under the current statute would be 60 percent of the expenditure.
4. The average recovery under the proposed legislation will be 67 percent of the expenditure.
5. Enactment of the legislation will increase collections by \$42,000 per year (60 cases at \$10,000 times 7%).
6. Recoveries in each fiscal year are for expenditures in the prior fiscal year.

FISCAL IMPACT:

	FY1986			FY1987		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Increased Recoveries</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Increased Recoveries</u>
Recoveries	(\$360,461)	(\$400,712)	\$40,251	(\$360,461)	(\$400,712)	\$40,251
Fund Savings:						
General Fund	(\$128,288)	(\$142,613)	\$14,325	(\$122,953)	(\$136,683)	\$13,730
Federal Funds	(\$232,173)	(\$258,099)	\$25,926	(\$237,508)	(\$264,029)	\$26,521

David L. Hunter

BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Feb 13, 1985
HB 743

APPROVED BY COMM. ON
HUMAN SERVICES AND AGING

1 STATEMENT OF INTENT

2 HOUSE BILL 743

3 House Human Services and Aging Committee

4

5 Under the amendment set forth as 53-2-612 (3), the
6 legislature intends that the department recover all medical
7 expenses paid, less its share of reasonable attorney's
8 costs, in those cases where the total recovery net of
9 attorney fees and costs is sufficient to pay the department
10 and allow the recipient at least one-third of the net
11 recovery. Where the net recovery is insufficient to
12 reimburse the department for its costs and the recipient for
13 other damages, this section requires the department to
14 compromise its claim but only to the extent necessary to
15 allow the recipient one-third of the net recovery. A
16 recipient would not, under this statute, receive more than
17 one-third of the net recovery unless and until the
18 department has been reimbursed for its costs, net of
19 attorney fees.

SECOND READING

HB 743



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 18 ~~Security--Act~~ to recover damages or compensation from a third
 19 party to the extent necessary to reimburse the department
 20 for medical benefits paid to or on behalf of the needy
 21 person recipient or beneficiary. Upon determination that a
 22 third party is liable for the medical expenses of a needy
 23 person recipient or beneficiary under this section, the
 24 department shall immediately notify the third party of the
 25 subrogation.

1 (2) The department may, in the name of the needy
 2 person recipient or beneficiary to whom or on whose behalf
 3 medical benefits have been paid and to whose rights the
 4 department has been subrogated, commence and prosecute to
 5 final conclusion any action which may be necessary to
 6 recover from a third party compensation or damages for
 7 medical costs incurred by the needy--person recipient or
 8 beneficiary. ~~From--the--amount--collected--from--legal~~
 9 ~~proceedings--or--as--a--result--of--settlement;--the--department~~
 10 ~~shall--retain--the--full--amount--previously--paid--as--medical~~
 11 ~~benefits;--allocating--to--the--county--and--federal--government--a~~
 12 ~~share--proportionate--to--their--contribution--and;--after~~
 13 ~~deducting--the--costs--of--the--proceeding;--deliver--the--remainder~~
 14 ~~to--the--needy--person;--The--total--amounts--awarded--as~~
 15 ~~compensation--for--pain--and--suffering--or--which--are--punitive--in~~
 16 ~~nature--shall--be--delivered--to--the--needy--person;--This--section~~
 17 does not affect the needy-person's right of the recipient or
 18 beneficiary to initiate and prosecute to final conclusion an
 19 action for damages or compensation in his own name in
 20 accordance with the provisions of this section.

21 (3) From the amount collected from legal proceedings
 22 or as a result of settlement, reasonable attorney fees and
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 8 shall notify the department of any action initiated or of
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 11 or damages for medical expenses to which medical benefits
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2 (d) the judicial district and docket number of any
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 3 department in connection with the same claim.

4 (5)(6) As used in this section, "third party" means an
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1 STATEMENT OF INTENT

2 HOUSE BILL 743

3 House Human Services and Aging Committee
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10 and allow the recipient at least one-third of the net
11 recovery. Where the net recovery is insufficient to
12 reimburse the department for its costs and the recipient for
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14 compromise its claim but only to the extent necessary to
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16 recipient would not, under this statute, receive more than
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THIRD READING

HB 743

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 10 ~~or-his-legal-representative-for-the-recovery-of-compensation~~
 11 ~~or--damages--for--medical--expenses--to--which--medical--benefits~~
 12 ~~have-been-applied--Notice-shall-be-given-by-service-upon-the~~
 13 ~~department-of-the-legal-instrument-initiating-the-action--or~~
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 15 certified letter if the recipient or beneficiary or his
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 20 hospital to the extent of payment. To the extent necessary
 21 for reimbursement of medical benefits paid to or on behalf
 22 of an individual, the county or state is subrogated to the
 23 rights of the individual to recover from a third party who
 24 may be liable to pay the medical expenses. The provisions of
 25 53-2-612 ~~which relate to--medical--benefits--provided--under~~

1 ~~Title--XIX--or--XX--of--the--Social--Security--Act~~ apply to medical
2 benefits provided for in this section."

3 NEW SECTION. Section 3. Severability. If a part of
4 this act is invalid, all valid parts that are severable from
5 the invalid part remain in effect. If a part of this act is
6 invalid in one or more of its applications, the part remains
7 in effect in all valid applications that are severable from
8 the invalid applications.

-End-

SENATE

STANDING COMMITTEE REPORT

.....March 18..... 19 85.

MR. PRESIDENT

We, your committee on.....Public Health, Welfare and Safety.....

having had under consideration.....House Bill..... No. 743

~~third~~ reading copy (blue)
color

SUBROGATION RIGHTS OF SRS - 3RD PARTY LIABILITY FOR MEDICAL BENEFITS

MILLER (MAZUREK)

Respectfully report as follows: That..... House Bill..... No. 743

be amended as follows:

1. Page 2, line 23.

Following: "first."

Strike: "The"

Insert: "Unless all parties agree to a different settlement,
the"

~~XXXXXX~~

AND AS AMENDED

~~XXXXXX~~ BE CONCURRED IN

Judy Jacobson
.....
SENATOR JUDY JACOBSON, Chairman.

COMMITTEE OF THE WHOLE AMENDMENT

SENATE

Mar 22, 1985
DATE

8:00
TIME

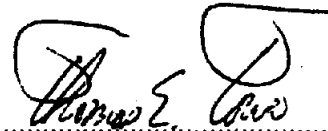
SENATE PUBLIC HEALTH, WELFARE, AND
MR. CHAIRMAN: I MOVE TO AMEND SAFETY STANDING COMMITTEE REPORT OF ~~XX~~
MAR. 18 TO HOUSE BILL No. 743 AS FOLLOWS:

~~XXXXXX~~ ~~XXXXXX~~
~~XXXXXX~~
XXXXX

Amendment No. 1.
Following: "Unless"
Strike: "all parties"
Insert: "the department and the recipient or beneficiary"

PC3HB743.601

ADOPT
REJECT



TOWE

1 STATEMENT OF INTENT

2 HOUSE BILL 743

3 House Human Services and Aging Committee

4

5 Under the amendment set forth as 53-2-612 (3), the
6 legislature intends that the department recover all medical
7 expenses paid, less its share of reasonable attorney's
8 costs, in those cases where the total recovery net of
9 attorney fees and costs is sufficient to pay the department
10 and allow the recipient at least one-third of the net
11 recovery. Where the net recovery is insufficient to
12 reimburse the department for its costs and the recipient for
13 other damages, this section requires the department to
14 compromise its claim but only to the extent necessary to
15 allow the recipient one-third of the net recovery. A
16 recipient would not, under this statute, receive more than
17 one-third of the net recovery unless and until the
18 department has been reimbursed for its costs, net of
19 attorney fees.

REFERENCE BILL
HB 743

1 HOUSE BILL NO. 743
 2 INTRODUCED BY MILLER
 3 BY REQUEST OF THE DEPARTMENT OF SOCIAL AND
 4 REHABILITATION SERVICES
 5

6 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE
 7 SUBROGATION RIGHTS OF THE DEPARTMENT OF SOCIAL AND
 8 REHABILITATION SERVICES REGARDING THE PROVISION OF MEDICAL
 9 BENEFITS ON BEHALF OF A PERSON FOR WHOM A THIRD PARTY IS
 10 LIABLE; AMENDING SECTIONS 53-2-612 AND 53-3-103, MCA."
 11

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 53-2-612, MCA, is amended to read:
 14 "53-2-612. Subrogation and third party liability for
 15 certain benefits. (1) The department is subrogated to the
 16 right of each needy-person-who-is-a recipient or beneficiary
 17 of medical benefits ~~under Title XIX or XX of the Social~~
 18 ~~Security Act~~ to recover damages or compensation from a third
 19 party to the extent necessary to reimburse the department
 20 for medical benefits paid to or on behalf of the needy
 21 person recipient or beneficiary. Upon determination that a
 22 third party is liable for the medical expenses of a needy
 23 person recipient or beneficiary under this section, the
 24 department shall immediately notify the third party of the
 25 subrogation.

1 (2) The department may, in the name of the needy
 2 person recipient or beneficiary to whom or on whose behalf
 3 medical benefits have been paid and to whose rights the
 4 department has been subrogated, commence and prosecute to
 5 final conclusion any action which may be necessary to
 6 recover from a third party compensation or damages for
 7 medical costs incurred by the needy-person recipient or
 8 beneficiary. ~~From the amount collected from legal~~
 9 ~~proceedings or as a result of settlement, the department~~
 10 ~~shall retain the full amount previously paid as medical~~
 11 ~~benefits, allocating to the county and federal government a~~
 12 ~~share proportionate to their contribution and, after~~
 13 ~~deducting the costs of the proceeding, deliver the remainder~~
 14 ~~to the needy person. The total amounts awarded as~~
 15 ~~compensation for pain and suffering or which are punitive in~~
 16 ~~nature shall be delivered to the needy person. This section~~
 17 ~~does not affect the needy person's right of the recipient or~~
 18 ~~beneficiary to initiate and prosecute to final conclusion an~~
 19 ~~action for damages or compensation in his own name in~~
 20 ~~accordance with the provisions of this section.~~

21 (3) From the amount collected from legal proceedings
 22 or as a result of settlement, reasonable attorney fees and
 23 costs must be deducted first. The UNLESS ALL PARTIES THE
 24 DEPARTMENT AND THE RECIPIENT OR BENEFICIARY AGREE TO A
 25 DIFFERENT SETTLEMENT, THE amount previously paid as medical



benefits by the department, less a pro rata share of attorney fees and costs, must be deducted next and paid to the department. The remainder must be paid to the recipient or beneficiary. However, any recipient or beneficiary who initiates an action to recover damages or compensation shall receive no less than one-third of the total amount recovered after the deduction of reasonable attorney fees and costs.

~~{3}~~(4) A ~~needy~~ person who is a recipient or beneficiary of medical benefits or his legal representative shall notify the department ~~of any action initiated or of any compromise or settlement agreed to by the needy person or his legal representative for the recovery of compensation or damages for medical expenses to which medical benefits have been applied. Notice shall be given by service upon the department of the legal instrument initiating the action or embodying the compromise or settlement.~~ by means of a certified letter if the recipient or beneficiary or his legal representative asserts a claim against a third party or his insurer for damages or compensation for an injury for which the department paid medical benefits in whole or in part. The notice must be mailed to the director of the department and must contain the following information:

(a) the name and address of the recipient or beneficiary;

(b) the name of the third party alleged to be liable

to the recipient or beneficiary;

(c) the name and address of any known insurer of the third party; and

(d) the judicial district and docket number of any action filed.

~~{4}~~--No portion of attorneys' fees may be withheld from the amount collected from legal proceedings or as a result of settlement which is due the department under subsection ~~{1}~~ without prior approval of the department.

(5) (a) No recipient or beneficiary who has received medical assistance from the department as a result of an injury which creates a claim or cause of action may release the liable third party or his insurer from liability to the department. If any liable third party or his insurer, after receiving notice of the department's subrogation claim, makes payment on account of injury or death and the department has not been reimbursed for the medical benefits paid on behalf of the recipient or beneficiary, the insurer or third party is liable to the department for the amount of medical benefits paid by the department.

(b) The notice requirements of subsection (5)(a) are satisfied if:

(i) the insurer receives from the department, by certified mail, a statement of the claims paid or medical services rendered by the department, together with a claim

1 for reimbursement; or
 2 (ii) the insurer receives a claim from a recipient or
 3 beneficiary stating that the recipient or beneficiary has
 4 applied for or has received medical assistance from the
 5 department in connection with the same claim.

6 ~~(5)~~(6) As used in this section, "third party" means an
 7 individual, institution, corporation, or public or private
 8 agency which is or may be liable to pay all or part of the
 9 medical cost of injury, disease, or disability of a needy
 10 person--to--which--Title--XIX--or--XX--benefits--have--been--applied
 11 recipient or beneficiary of medical benefits from the state
 12 or county and includes but is not limited to insurers,
 13 health service organizations, and those liable in tort."

14 Section 2. Section 53-3-103, MCA, is amended to read:

15 "53-3-103. Medical aid and hospitalization for
 16 indigent. (1) Except as provided in other parts of this
 17 title, medical aid and hospitalization for county residents
 18 and nonresidents within the county unable to provide these
 19 necessities for themselves are the legal and financial
 20 responsibility of the county commissioners and are payable
 21 from the county poor fund. The county commissioners shall
 22 make provisions for competent and skilled medical or
 23 surgical services. "Medical" or "medicine" as used in this
 24 section refers to the healing art as practiced by licensed
 25 practitioners.

1 (2) The board, in arranging for medical care for those
 2 unable to provide it for themselves, may have the care
 3 provided by physicians appointed by the board who shall be
 4 known as county physicians or deputy county physicians and
 5 may fix a rate of compensation for the furnishing of the
 6 medical attendance.

7 (3) The department may promulgate rules to determine
 8 under what circumstances persons in the county are unable to
 9 provide medical aid and hospitalization for themselves,
 10 including the power to define the term "medically needy".
 11 However, the definition may not allow payment by a county
 12 for general assistance--medical for persons whose income
 13 exceeds 300% of the limitation for obtaining regular county
 14 general relief assistance or for persons who are eligible
 15 for medicaid in accordance with Title 53, chapter 6, part 1,
 16 or for persons who have the right or are entitled to medical
 17 aid and hospitalization from the federal government or any
 18 agency thereof.

19 (4) In any case where the county or state pays medical
 20 expenses or hospitalization for an individual, the county or
 21 state is subrogated to the claims of the physician or
 22 hospital to the extent of payment. To the extent necessary
 23 for reimbursement of medical benefits paid to or on behalf
 24 of an individual, the county or state is subrogated to the
 25 rights of the individual to recover from a third party who

1 may be liable to pay the medical expenses. The provisions of
2 53-2-612 ~~which relate to medical benefits provided under~~
3 ~~Title XIX or XX of the Social Security Act~~ apply to medical
4 benefits provided for in this section."

5 NEW SECTION. Section 3. Severability. If a part of
6 this act is invalid, all valid parts that are severable from
7 the invalid part remain in effect. If a part of this act is
8 invalid in one or more of its applications, the part remains
9 in effect in all valid applications that are severable from
10 the invalid applications.

-End-