



2025-2026 General Assembly

HOUSE BILL 576: Department of Health and Human Services Revisions, Sec. 2.4: Clarify Medicaid Subrogation Rights in Managed Care Environment

Analysis of: S.L. 2025-27, Sec. 2.4

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Section 2.4 of S.L. 2025-27 (House Bill 576) makes clarifying changes to the Medicaid subrogation statute to reflect changes to the Medicaid program that are associated with the transition to a managed care model and prepaid health plan (PHP) contracts, which began in 2021. The changes (i) explicitly authorize PHPs to receive subrogation payments for their enrollees when the PHP is designated by DHHS and (ii) require certain information related to a subrogation claim to be sent to those PHPs.

This section became effective June 27, 2025, and applies to subrogation for Medicaid claims brought by Medicaid beneficiaries against third parties on or after that date.

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