



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Grassley works to help states save Medicaid dollars when other insurers should pay for services

WASHINGTON — Sen. Chuck Grassley is continuing his effort to help state governments identify and require payment of responsible third parties for health care services that are provided through Medicaid.

“It's not fair for taxpayers to get stuck with bills that private insurers are liable for,” he said. “Now that we've got a new law on the books and a new independent report quantifying the situation, the next step is for the government agency that runs the federal part of Medicaid to issue guidance to states about how to be as aggressive as possible.”

Grassley made his comments as the Government Accountability Office released a review that he initiated regarding the landscape for states to collect money from private insurance companies in order to cover claims made by people who are eligible for Medicaid.

As Chairman of the Senate Committee on Finance, Grassley sponsored the legislation enacted earlier this year as part of the Deficit Reduction Act to help states tap these third-party payers. The new statute is designed to empower states and make it more clear who they are allowed to go after to collect third-party payments. It's estimated that if states were better able to collect these payments, as much as \$60 million could be recovered every year.

In its report today, the Government Accountability Office found that 13 percent of Medicaid beneficiaries nationwide, and 22 percent in Iowa, have health care coverage through another means. The report recommended that the Administrator of the Centers for Medicare and Medicaid Services determine and provide guidance to states on when states need to have laws in place to implement requirements made in the Deficit Reduction Act, and which entities are required to provide states with coverage and other data.

The Deficit Reduction Act more clearly defined entities that can be responsible for paying a claim that would otherwise be paid by Medicaid and further requires those entities to make claims data available to states so that states can determine if a secondary payer should have paid the claim.

“There's no reason for Medicaid to pay for services when other sources of health care coverage are available,” Grassley said. Medicaid finances health care for about 56 million low-income people, including children and disabled adults.