

**RESOURCES**  
**THIRD PARTY RESOURCES**

**ASSIGNMENT AND SUBROGATION**

**Description:** Subrogation is the right to substitute one creditor for another. Assignment is the means by which this is accomplished.

**Policy:** As a condition of eligibility for Medicaid, an A/R assigns any third party benefits to which s/he is entitled to the local district.

**References:**

SSL Sect.	366.2(f) 366-a
Dept. Regs.	360-3.2(a), (b), (c)
ADMs	92 ADM-19 82 ADM-17

**Interpretation:** By virtue of his/her signature on the Medicaid application, the A/R assigns to the local department of social services any third party benefits to which s/he is entitled.

The insurance company is also notified of the local district's right to any benefits paid to the A/R. In most cases the insurance company can be notified at the time the health insurance benefit claim is filed. The notices attached to **92 ADM-19** are used to notify the insurance company of the local district's right of subrogation.

If it is determined that medical care and services that have already been paid by Medicaid could have been covered by third party benefits, the local district may exercise its right to subrogation for up to two years after the medical services have been rendered.

**When to Verify Status:**

- a) When the A/R or a member of the family has health insurance;
- b) When the A/R or member of the family has been injured or killed by accident;
- c) When the A/R or a member of the family is employed;
- d) When the A/R or a member of the family is in the military service or is a veteran;

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- e) When the A/R or a member of the family belongs to a union or fraternal organization.

**Verification Process:** a) Seeing the insurance ID card;

- b) Obtaining information on the benefits from the employer, union, fraternal organization, veteran's group, or college;

Page 476 of this guide contains additional information on recoveries, assignments and liens.