

## CHAPTER 100

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**HEALTH CARE POLICY AND FINANCING**


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HOUSE BILL 09-1191

BY REPRESENTATIVE(S) McCann, Gerou, McGihon;  
also SENATOR(S) Boyd.

**AN ACT**

**CONCERNING LIENS OF THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING AGAINST  
CLAIMS AGAINST THIRD PARTIES.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** 25.5-4-301 (5) (a) and (5) (c), Colorado Revised Statutes, are amended to read:

**25.5-4-301. Recoveries - overpayments - penalties - interest - adjustments - liens - review or audit procedures - repeal.** (5) (a) When the state department has furnished medical assistance to or on behalf of a recipient pursuant to the provisions of this article, and articles 5 and 6 of this title, for which a third party is liable, the state department shall have an automatic statutory lien for all such medical assistance. The state department's lien shall be against ~~the amount of the~~ ANY judgment, award, or settlement in a suit or claim against such third party ~~and shall be payable after deducting from the judgment, award, or settlement for the recipient's attorney fees and reasonable litigation costs incurred in the preparation and prosecution of the action or claim~~ AND SHALL BE IN AN AMOUNT THAT SHALL BE THE FULLEST EXTENT ALLOWED BY FEDERAL LAW AS APPLICABLE IN THIS STATE, BUT NOT TO EXCEED THE AMOUNT OF THE MEDICAL ASSISTANCE PROVIDED.

(c) Except as otherwise provided in this article, the entire amount of any judgment, award, or settlement of the recipient's action or claim, with or without suit, regardless of how characterized by the parties ~~or whether the amount includes medical costs~~, shall be subject to the state department's lien.

**SECTION 2. Act subject to petition - effective date - applicability.** (1) This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, (August 5, 2009, if adjournment sine die is on May 6, 2009); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

(2) The provisions of this act shall apply to any judgments, awards, or settlements entered on or after the applicable effective date of this act.

Approved: April 3, 2009