



# SENATE BILL No. 1318

November 29, 1994, Introduced by Senators GEAKE,  
DINGELL, WELBORN, CONROY, BERRYMAN and GOUGEON  
and referred to the Committee on Family Law,  
Mental Health, and Corrections.

A bill to amend Act No. 280 of the Public Acts of 1939,  
entitled as amended

"The social welfare act,"

as amended, being sections 400.1 to 400.119b of the Michigan  
Compiled Laws, by adding section 112a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 280 of the Public Acts of 1939, as  
2 amended, being sections 400.1 to 400.119b of the Michigan  
3 Compiled Laws, is amended by adding section 112a to read as  
4 follows:

5 SEC. 112A. (1) AN INDIVIDUAL IS LIABLE TO THE STATE FOR THE  
6 AMOUNT EXPENDED BY THE DEPARTMENT UNDER MEDICAID FOR MEDICAL  
7 SERVICES FOR THE INDIVIDUAL'S CHILD IF ALL OF THE FOLLOWING  
8 APPLY:

1 (A) THE INDIVIDUAL IS REQUIRED BY COURT OR ADMINISTRATIVE  
2 ORDER TO PROVIDE DEPENDENT HEALTH CARE COVERAGE FOR THE CHILD.

3 (B) THE CHILD IS ELIGIBLE FOR MEDICAID.

4 (C) THE INDIVIDUAL RECEIVED PAYMENT FROM A THIRD PARTY FOR  
5 THE COSTS OF MEDICAL SERVICES FOR THE CHILD.

6 (D) THE INDIVIDUAL FAILED TO REIMBURSE THE PROVIDER OF THE  
7 MEDICAL SERVICES EITHER DIRECTLY OR THROUGH THE CUSTODIAL PARENT  
8 OR GUARDIAN OF THE CHILD.

9 (E) THE DEPARTMENT EXPENDED FUNDS UNDER MEDICAID FOR THE  
10 MEDICAL SERVICES PROVIDED FOR THE CHILD.

11 (2) AFTER NOTICE AND AN OPPORTUNITY FOR AN ADMINISTRATIVE  
12 HEARING, THE DEPARTMENT SHALL USE THE SERVICES OF THE DEPARTMENT  
13 OF TREASURY TO OFFSET THE STATE TAX REFUNDS, AND MAY USE THE  
14 SERVICES OF THE DEPARTMENT OF TREASURY TO LEVY THE SALARY, WAGES,  
15 OR OTHER EMPLOYMENT INCOME, OF AN INDIVIDUAL WHO HAS A LIABILITY  
16 TO THE STATE PURSUANT TO SUBSECTION (1).

17 (3) CLAIMS AGAINST AN INDIVIDUAL'S INCOME OR STATE TAX  
18 REFUND UNDER THIS SECTION ARE SECONDARY TO CLAIMS FOR CURRENT AND  
19 PAST DUE CHILD SUPPORT.

20 (4) AS USED IN THIS SECTION, "MEDICAID" MEANS THE PROGRAM OF  
21 MEDICAL ASSISTANCE ESTABLISHED PURSUANT TO SECTION 105.