

NHeLP Model

Medicaid recipients enrolled in managed care are the intended third-party beneficiaries of contracts between the state and MCOs and of any subcontracts or provider agreements entered into by MCOs with subcontracting providers and, as such, enrollees are entitled to the remedies accorded to third-party beneficiaries under the law.

Explanation: While the policy behind the federal Medicaid Act makes clear that the purpose of the contract is to benefit Medicaid recipients, the contract nonetheless should specifically recognize Medicaid recipients as third-party beneficiaries. Depending upon your state's case law, this provision may be necessary to enforce the contract, and, even if not necessary, it eliminates lengthy litigation before the claim can be heard on the merits.

North Carolina

DIVISION OF MEDICAL ASSISTANCE, STATE OF NORTH CAROLINA, CONTRACT FOR SERVICES BETWEEN THE STATE OF NORTH CAROLINA, DIVISION OF MEDICAL ASSISTANCE AND [] A HEALTH MAINTENANCE ORGANIZATION (Effective Date: 1997 - 1998).

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13.7 Third Party Beneficiaries

Medicaid Members are the intended third party beneficiaries of contracts between the Division and the Plan and any subcontractors or provider agreements entered into by the Plan. Members are entitled to the remedies accorded to third party beneficiaries under the law. This provision is not intended to provide cause of action against the Division or the State of North Carolina by Members beyond any that may exist under State or Federal law.

Tennessee

BUREAU OF TENNCARE, A CONTRACTOR RISK AGREEMENT BETWEEN THE STATE OF TENNESSEE D.B.A. TENNCARE AND (NAME OF CONTRACTOR) (September 11, 1995) [Effective Date: 10/1/95 - 7/1/96).

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1-4. Applicability of this Agreement

All terms, conditions, and policies stated herein apply to staff, agents, officers, subcontractors, providers, volunteers and anyone else acting for or on behalf of the CONTRACTOR. TennCare enrollees are the intended third party beneficiaries of contracts between the state and managed care organizations and of any subcontracts or provider agreements entered into by managed care organizations with subcontracting providers and, as such, enrollees are entitled to the remedies accorded to third party beneficiaries under the law. This provision is not intended to provide a cause of action against the Bureau of TENNCARE or the State of Tennessee by enrollees beyond any that may exist under state or federal law.