

105TH CONGRESS  
1ST SESSION

# S. 1471

To prohibit the Secretary of Health and Human Services from treating any Medicaid-related funds recovered as part of State litigation from one or more tobacco companies as an overpayment under the Medicaid Program.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 8, 1997

Mr. GRAHAM introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To prohibit the Secretary of Health and Human Services from treating any Medicaid-related funds recovered as part of State litigation from one or more tobacco companies as an overpayment under the Medicaid Program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. PROHIBITION ON TREATING ANY MEDICAID-RE-**  
 2 **LATED FUNDS RECOVERED FROM ONE OR**  
 3 **MORE TOBACCO COMPANIES AS AN OVER-**  
 4 **PAYMENT.**

5 (a) PROHIBITION ON TREATMENT AS OVERPAY-  
 6 MENT.—Section 1903(d)(3) of the Social Security Act (42  
 7 U.S.C. 1396b(d)(3)) is amended—

8 (1) by inserting “(A)” before “The”; and

9 (2) by adding at the end the following:

10 “(B) Subparagraph (A) and paragraph (2)(B) shall  
 11 not apply to any amount recovered or paid to a State as  
 12 part of a settlement or judgment reached in litigation initi-  
 13 ated or pursued by a State against one or more manufac-  
 14 turers of tobacco products, as defined in section 5702(d)  
 15 of the Internal Revenue Code of 1986.”.

16 (b) EFFECTIVE DATE.—The amendment made by  
 17 subsection (a) applies to amounts recovered or paid to a  
 18 State before, on, or after the date of enactment of this  
 19 Act.

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