

(exclusive of Federal funds) of such State or local government during such fiscal year for all its capital improvement projects is increased by an amount approximately equal to the non-Federal funds required to be made available for such public works project.

(b) No part of any allocation made by the President under this chapter shall be made available for any planning or construction, directly or indirectly, of any school or other educational facility.

(Pub. L. 87-658, §4, Sept. 14, 1962, 76 Stat. 543.)

### CHAPTER 32—THIRD PARTY LIABILITY FOR HOSPITAL AND MEDICAL CARE

Sec.	
2651.	Recovery by United States.
2652.	Regulations.
2653.	Limitation or repeal of other provisions for recovery of hospital and medical care costs.

#### § 2651. Recovery by United States

##### (a) Conditions; exceptions; persons liable; amount of recovery; subrogation; assignment

In any case in which the United States is authorized or required by law to furnish or pay for hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) to a person who is injured or suffers a disease, after the effective date of this Act, under circumstances creating a tort liability upon some third person (other than or in addition to the United States and except employers of seamen treated under the provisions of section 249 of this title) to pay damages therefor, the United States shall have a right to recover (independent of the rights of the injured or diseased person) from said third person, or that person's insurer, the reasonable value of the care and treatment so furnished, to be furnished, paid for, or to be paid for and shall, as to this right be subrogated to any right or claim that the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors has against such third person to the extent of the reasonable value of the care and treatment so furnished, to be furnished, paid for, or to be paid for. The head of the department or agency of the United States furnishing such care or treatment may also require the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors, as appropriate, to assign his claim or cause of action against the third person to the extent of that right or claim.

##### (b) Recovery of cost of pay for member of uniformed services unable to perform duties

If a member of the uniformed services is injured, or contracts a disease, under circumstances creating a tort liability upon a third person (other than or in addition to the United States and except employers of seamen referred to in subsection (a) of this section) for damages for such injury or disease and the member is unable to perform the member's regular military duties as a result of the injury or disease, the United States shall have a right (independent of the rights of the member) to recover from the third person or an insurer of the third person, or

both, the amount equal to the total amount of the pay that accrues and is to accrue to the member for the period for which the member is unable to perform such duties as a result of the injury or disease and is not assigned to perform other military duties.

##### (c) United States deemed third party beneficiary under alternative system of compensation

(1) If, pursuant to the laws of a State that are applicable in a case of a member of the uniformed services who is injured or contracts a disease as a result of tortious conduct of a third person, there is in effect for such a case (as a substitute or alternative for compensation for damages through tort liability) a system of compensation or reimbursement for expenses of hospital, medical, surgical, or dental care and treatment or for lost pay pursuant to a policy of insurance, contract, medical or hospital service agreement, or similar arrangement, the United States shall be deemed to be a third-party beneficiary of such a policy, contract, agreement, or arrangement.

(2) For the purposes of paragraph (1)—

(A) the expenses incurred or to be incurred by the United States for care and treatment for an injured or diseased member as described in subsection (a) of this section shall be deemed to have been incurred by the member;

(B) the cost to the United States of the pay of the member as described in subsection (b) of this section shall be deemed to have been pay lost by the member as a result of the injury or disease; and

(C) the United States shall be subrogated to any right or claim that the injured or diseased member or the member's guardian, personal representative, estate, dependents, or survivors have under a policy, contract, agreement, or arrangement referred to in paragraph (1) to the extent of the reasonable value of the care and treatment and the total amount of the pay deemed lost under subparagraph (B).

##### (d) Enforcement procedure; intervention; joinder of parties; State or Federal court proceedings

The United States may, to enforce a right under subsections (a), (b), and (c) of this section (1) intervene or join in any action or proceeding brought by the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors, against the third person who is liable for the injury or disease or the insurance carrier or other entity responsible for the payment or reimbursement of medical expenses or lost pay; or (2) if such action or proceeding is not commenced within six months after the first day in which care and treatment is furnished or paid for by the United States in connection with the injury or disease involved, institute and prosecute legal proceedings against the third person who is liable for the injury or disease or the insurance carrier or other entity responsible for the payment or reimbursement of medical expenses or lost pay, in a State or Federal court, either alone (in its own name or in the name of the injured person, his guardian, personal representative, estate, dependents, or survivors) or in conjunction with the injured or diseased person, his guardian, per-

sonal representative, estate, dependents, or survivors.

**(e) Veterans' exception**

The provisions of this section shall not apply with respect to hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) furnished by the Department of Veterans Affairs to an eligible veteran for a service-connected disability under the provisions of chapter 17 of title 38.

**(f) Crediting of amounts recovered**

(1) Any amount recovered under this section for medical care and related services furnished by a military medical treatment facility or similar military activity shall be credited to the appropriation or appropriations supporting the operation of that facility or activity, as determined under regulations prescribed by the Secretary of Defense.

(2) Any amount recovered under this section for the cost to the United States of pay of an injured or diseased member of the uniformed services shall be credited to the appropriation that supports the operation of the command, activity, or other unit to which the member was assigned at the time of the injury or illness, as determined under regulations prescribed by the Secretary concerned.

**(g) Definitions**

For the purposes of this section:

(1) The term "uniformed services" has the meaning given such term in section 101 of title 10.

(2) The term "tortious conduct" includes any tortious omission.

(3) The term "pay", with respect to a member of the uniformed services, means basic pay, special pay, and incentive pay that the member is authorized to receive under title 37 or any other law providing pay for service in the uniformed services.

(4) The term "Secretary concerned" means—

(A) the Secretary of Defense, with respect to the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard (when it is operating as a service in the Navy);

(B) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy;

(C) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

(D) the Secretary of Commerce, with respect to the commissioned corps of the National Oceanic and Atmospheric Administration.

(Pub. L. 87-693, §1, Sept. 25, 1962, 76 Stat. 593; Pub. L. 102-54, §13(q)(8), June 13, 1991, 105 Stat. 281; Pub. L. 104-201, div. A, title X, §1075(a), (b), Sept. 23, 1996, 110 Stat. 2661, 2663; Pub. L. 109-241, title IX, §902(m), July 11, 2006, 120 Stat. 568.)

REFERENCES IN TEXT

Effective date of this Act, referred to in subsec. (a), is the first day of the fourth month following September 1962, see section 4 of Pub. L. 87-693 set out as an Effective Date note below.

AMENDMENTS

2006—Subsec. (g)(4)(B). Pub. L. 109-241 substituted "of Homeland Security," for "of Transportation,".

1996—Subsec. (a). Pub. L. 104-201, §1075(b)(1), inserted "(independent of the rights of the injured or diseased person)" after "a right to recover" and ", or that person's insurer," after "from said third person".

Pub. L. 104-201, §1075(a)(1), (2), inserted "or pay for" after "required by law to furnish" and substituted ", to be furnished, paid for, or to be paid for" for "or to be furnished" in two places.

Subsecs. (b), (c). Pub. L. 104-201, §1075(a)(3), added subsecs. (b) and (c). Former subsecs. (b) and (c) redesignated (d) and (e), respectively.

Subsec. (d). Pub. L. 104-201, §1075(a)(4), (b)(2), substituted "a right under subsections (a), (b), and (c) of this section" for "such right," in introductory provisions, inserted "or paid for" after "treatment is furnished" in par. (2), and inserted "or the insurance carrier or other entity responsible for the payment or reimbursement of medical expenses or lost pay" after "the third person who is liable for the injury or disease" in pars. (1) and (2).

Pub. L. 104-201, §1075(a)(2), redesignated subsec. (b) as (d).

Subsec. (e). Pub. L. 104-201, §1075(a)(2), redesignated subsec. (c) as (e).

Subsecs. (f), (g). Pub. L. 104-201, §1075(a)(5), added subsecs. (f) and (g).

1991—Subsec. (c). Pub. L. 102-54 substituted "Department of Veterans Affairs" for "Veterans' Administration".

EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104-201, div. A, title X, §1075(c), Sept. 23, 1996, 110 Stat. 2663, provided that: "The authority to collect pursuant to the amendments made by this section [amending this section] shall apply to expenses described in the first section of Public Law 87-693 [this section] (as amended by this section) that are incurred, or are to be incurred, by the United States on or after the date of the enactment of this Act [Sept. 23, 1996], whether the event from which the claim arises occurs before, on, or after that date."

EFFECTIVE DATE

Pub. L. 87-693, §4, Sept. 25, 1962, 76 Stat. 594, provided that: "This Act [enacting this chapter] becomes effective on the first day of the fourth month following the month [September 1962] in which enacted."

SHORT TITLE

Pub. L. 87-693, Sept. 25, 1962, 76 Stat. 593, which is classified generally to this chapter, is popularly known as the "Federal Medical Care Recovery Act".

**§ 2652. Regulations**

**(a) Determination and establishment of reasonable value of care and treatment**

The President may prescribe regulations to carry out this chapter, including regulations with respect to the determination and establishment of the reasonable value of the hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) furnished or to be furnished.

**(b) Settlement, release and waiver of claims**

To the extent prescribed by regulations under subsection (a) of this section, the head of the department or agency of the United States concerned may (1) compromise, or settle and execute a release of, any claim which the United States has by virtue of the right established by section 2651 of this title; or (2) waive any such claim, in whole or in part, for the convenience of the Government, or if he determines that collection would result in undue hardship upon the person who suffered the injury or disease result-