

Representative Mike K. McKell proposes the following substitute bill:

HOSPITAL LIEN LAW AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Mike K. McKell

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends a provision related to hospital liens.

Highlighted Provisions:

This bill:

► provides that a hospital that provides medical care to a patient in an emergency room or in a hospital where a patient is transferred directly from an emergency room may assert a lien.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

38-7-1, as last amended by Laws of Utah 2013, Chapter 273

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **38-7-1** is amended to read:

38-7-1. Lien of hospital on judgment, settlement, or compromise in certain



26 **accident cases authorized.**

27 (1) (a) Except as provided in Subsection (3), a hospital located within the state that
28 furnishes [~~emergency, medical, or other service to a patient injured by reason of an accident~~]
29 medical care to a patient, as a result of an accident, in an emergency room, or in a hospital
30 where a patient is transferred directly from an emergency room, is entitled to assert a lien upon
31 that portion of the judgment, settlement, or compromise going or belonging to the patient, or,
32 in the case of death, to the patient's heirs or personal representatives, less the amount paid by
33 the patient, or on behalf of the patient by heirs or personal representatives, for attorney fees,
34 court costs, and other necessary expenses incidental to obtaining the judgment, settlement, or
35 compromise.

36 (b) [~~No~~] Except as described in Subsection (1)(c), no reduction of the asserted lien
37 amount is allowed other than the amount paid by the patient, or the patient's heirs, or personal
38 representatives for attorney fees, court costs, and other necessary expenses incidental to
39 litigation, unless otherwise agreed to in writing by the lien claimant.

40 (c) The hospital lien does not apply to a judgment, settlement, or compromise where
41 the amount is \$100 or less.

42 (2) A hospital may file a lien described in Subsection (1) for the amount of the
43 reasonable, usual, and necessary hospital charges for treatment, care, and maintenance of the
44 injured party in the hospital up to the date of payment of the damages.

45 (3) (a) Except as provided in Subsection (3)(b), a hospital may not assert a lien under
46 Subsection (1) if the services provided by the hospital are covered by workers' compensation or
47 private health insurance.

48 (b) (i) A hospital that provides a service described in Subsection (3)(a) may assert a
49 lien under Subsection (1) if:

50 (A) the private health insurer denies coverage; or

51 (B) the private health insurer does not pay the hospital within 180 days after the day on
52 which the hospital bills the private health insurer.

53 (ii) A lien asserted under Subsection (3)(b)(i)(B) shall be withdrawn when the private
54 health insurer pays the contracted amount, or, in the event there is no contract, the amount
55 agreed to by the private health insurer and the hospital for the service rendered.

56 (iii) A hospital that provides a service described in Subsection (3)(a) may assert a lien

57 under Subsection (1) for a copayment or deductible owed by the patient if the amount of the
58 copayment or deductible conforms with any contractual discount provided by the hospital to
59 the insurer.