A bill to be entitled

HB 1055

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2004

An act relating to Lake County; amending chapter 93-346, Laws of Florida; providing for liens in favor of physicians licensed under chapter 458 or chapter 459, Florida Statutes, in Lake County upon causes of action, suits, claims, counterclaims, and demands accruing to patients who received physician services in Lake County hospitals, or the patients' legal representatives, and upon judgments, settlements, and settlement agreements, on account of illness or injury of such patients, for all reasonable charges incurred before filing the claim of lien for physician services rendered in the hospital; providing for a method of perfecting and enforcing such liens; providing duties of the Clerk of the Circuit Court of Lake County; requiring claims for liens to be recorded and providing for recording fees; providing for validity of a release or satisfaction of an action, suit, claim, counterclaim, demand, judgment, settlement, or settlement agreement against a lien under certain circumstances; specifying actions constituting impairment of a lien; entitling lienholders to actions for damages for such impairment; specifying actions in satisfaction of a lien; providing for recovery of attorney's fees and expenses under certain circumstances; prohibiting recovery of damages for physician and hospital care, treatment, and maintenance unless a claimant has paid certain costs; providing an exception; providing for intervention by a lienholder and for verdict and judgment in favor of a lienholder in certain cases; providing an exemption for

matters within the purview of the Worker's Compensation Law of this state; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Chapter 93-346, Laws of Florida, is amended to

and every combination of any of the foregoing, operating a

hospital <u>licensed under chapter 395</u>, <u>Florida Statutes</u>, in Lake County, and each physician licensed to practice medicine

pursuant to chapter 458 or chapter 459, Florida Statutes, or any

governmental agency paying for hospital charges or medical

 ${\color{red} \textbf{treatment of individuals in Lake County}} \ \ \textbf{shall} \ \ \underline{\textbf{have}} \ \ \underline{\textbf{be entitled}}$

to a lien subject to the limitations of this act for all

reasonable charges for such hospital and physician care,

treatment, and maintenance rendered in that hospital, prior to

filing the claim of lien, to of all ill or injured persons upon

any and all causes of action, suits, claims, counterclaims, and

 $demands_{\tau}$ accruing to the persons to whom such care, treatment,

or maintenance is are furnished, or accruing to the legal

representative of such persons, and upon all judgments,

settlements, and settlement agreements rendered or entered into

by virtue thereof, on account of illness or injury giving rise

to such causes of <u>action</u> actions, suits, claims, counterclaims,

demands, judgments, settlement, or settlement agreements

agreement, which necessitated or shall have necessitated such

hospital and physician care, treatment, and maintenance. The

above-referenced lien shall be limited to the lesser of the following: reasonable charges for care and treatment or two-thirds of the net amount of settlement or judgment after deducting the reasonable cost of procuring the settlement or judgment. Reasonable costs of procuring the settlement or judgment include reasonable attorney's fees.

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Section 2. In order to perfect such a lien, the physician or the executive officer or duly appointed agent of a hospital or responsible governmental officer shall, before or within 180 days after any such person shall have been discharged from the hospital, file in the office of the Clerk of the Circuit Court in Lake County the county in which the hospital is located, a verified claim in writing setting forth the name and address of the patient as they appear it appears on the records of the hospital or physician, the name and location of the hospital or physician, the name and address of the executive officer or agent of the hospital or physician, the dates of admission of the patient to and discharge from the hospital of the patient therefrom, the amount claimed to be due for the hospital or physician care, treatment, and maintenance rendered in the hospital before the claim of lien was filed, and, to the best knowledge of the person signing the such claim, the names and addresses of all persons, firms, or corporations claimed by such ill or injured person or by the legal representative of such person_{τ} to be liable on account of such illness or injury. The hospital shall file the verified claim of lien only as to hospital services rendered by or on behalf of the hospital before filing the claim of lien, and the physician shall file the verified claim of lien only as to physician services

rendered by or on behalf of the physician services rendered in the hospital before filing the claim of lien. The lienholder injuries; the claimant shall also, within 7 business days after the filing of such claim of ex lien, mail a copy thereof via registered mail, postage prepaid, to each person, firm, or corporation claimed to be liable on account of such illness or injuries, at the address set forth in the verified claim. The filing of the claim shall be notice thereof to all persons, firms, or corporations who may be liable on account of such illness or injury, whether or not they are named in the claim of ex lien, and whether or not they have received a copy of the claim shall have been received by them.

Section 3. The Clerk of the Circuit Court of Lake County shall endorse on the claim the date and hour of filing and shall record the claim in the official records of Lake County. The Clerk of the Circuit Court of Lake County His office shall be paid by the lienholder claimant, for the filing and recording of each claim, the same fee as provided for filing and recording other instruments under the recording laws.

Section 4. A No release or satisfaction of any action, suit, claim, counterclaim, demand, judgment, settlement, or settlement agreement is invalid and ineffectual or of any of them, shall be valid or effectual against such lien unless the lienholder joins shall join therein or executes execute a release of the lien. Any acceptance of a release or satisfaction of any cause of action, suit, claim, counterclaim, demand, or judgment and any settlement of any of the foregoing in the absence of a release or satisfaction of lien referred to in this act constitutes shall prima facie evidence of constitute an

impairment of the lien, and the lienholder is shall be entitled to an action at law for damages on account of such impairment, and, in such action, may recover from the one accepting the release or satisfaction or making the settlement the reasonable costs cost of the hospital care, treatment, and maintenance. Satisfaction of any judgment rendered in favor of the lienholder in any such action operates shall operate as a satisfaction of the lien. Any action by the lienholder must shall be brought in the court having jurisdiction in the amount of the lienholder's claims claim and may be brought and maintained in Lake County the county in which the lienholder has his, or its, or their residence or place of business. If the lienholder prevails shall prevail in such action, the lienholder is shall be entitled to recover from the defendant, in addition to costs otherwise allowed by law, all reasonable attorney's fees and expenses incident to the matter.

Section 5. Notwithstanding the lien created by this act,
the amount recovered in a judgment, award, or settlement subject
to this act must be distributed and the lien extinguished as
follows:

- (1) After attorney's fees and taxable costs as defined by the Florida Rules of Civil Procedure have been paid, up to 60 percent of the remaining amount recovered must be distributed to the lienholders pro rata up to the total amount of reasonable charges for medical services provided in the hospital by the lienholders.
- (2) At least 40 percent of the remaining amount recovered must be paid to the patient.

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Upon such distribution, the lienholder shall promptly file in the office of the Clerk of the Circuit Court in Lake County a satisfaction of the lien and shall cause it to be recorded in the official records of Lake County.

Section 6. For purposes of this act, the reasonable charges due and owing to the lienholder must be determined by reducing the patient's reasonable charges by the amount of any health insurance payment or obligation or any other reimbursement paid or owed to the lienholder on behalf of the patient by any health care policy, plan, or program. The lien may not exceed the amount that the lienholder would be legally entitled to recover directly from the patient after all payments on behalf of the patient have been made by health care policies, plans, or programs to which the patient is legally entitled. If the lienholder's charges are reduced by any third-party payor as a result of any agreement or contract between the lienholder and the third-party payor, or as a result of state or federal law, the patient is entitled to a similar reduction in any copayment charges billed to the patient.

Section 7.5. A No person is not shall be entitled to recover or receive damages on account of hospital care, treatment, and maintenance provided by any individual, partnership, firm, association, corporation, institution, or governmental unit or any combination of any of the foregoing, operating a hospital or provided by any physician subject to this act in Lake County unless the person he shall affirmatively shows show that he or she has paid the costs thereof. However, in any action, suit, or counterclaim brought on account of illness or injury, the plaintiff or counterclaimant may include

as an item of damages the cost of such hospital care, treatment,

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verdict.

and maintenance, if, before prior to the trial of the action, the plaintiff or counterclaimant notifies he shall have notified the lienholder referred to in this act of the pendency of the such action or counterclaim, whereupon such lienholder has shall have the right, without leave of court, to intervene in the case and prove the reasonable costs cost of such hospital care, treatment, and maintenance. Any verdict that is may be rendered in favor of the plaintiff or counterclaimant must shall set forth the amount the jury finds to be due to the lienholder

for the such hospital care, treatment, and maintenance, and the

in favor of the plaintiff or counterclaimant must shall also be

in favor of the lienholder in the amount set forth by the jury's

name of the such lienholder. Any judgment rendered in the case

Section 8.6. This act is inapplicable to incidents The provisions of this act shall not be applicable to the accidents or injuries within the purview of the Worker's Compensation Law of this state within the State of Florida.

Section 9.7. If any section, paragraph, sentence, clause, phrase, or other part of this act should be declared unconstitutional, or if this act should be declared inapplicable in any case, such declaration shall not affect the remainder of this act or $\frac{1}{100}$ the applicability thereof in any other case.

Section 2. This act shall take effect upon becoming a law.