

SECOND REGULAR SESSION

SENATE BILL NO. 611

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAAF.

Pre-filed December 6, 2013, and ordered printed.

TERRY L. SPIELER, Secretary.

4777S.011

AN ACT

To repeal sections 430.225, 430.230, and 430.235, RSMo, and to enact in lieu thereof three new sections relating to hospital liens.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 430.225, 430.230, and 430.235, RSMo, are repealed
2 and three new sections enacted in lieu thereof, to be known as sections 430.225,
3 430.230, and 430.235, to read as follows:

430.225. 1. As used in sections 430.225 to 430.250, the following terms
2 shall mean:

3 (1) "Claim", a claim of a patient for:

4 (a) Damages from a tort-feasor; or

5 (b) Benefits from an insurance carrier;

6 (2) "Clinic", a group practice of health practitioners or a sole practice of
7 a health practitioner who has incorporated his or her practice;

8 (3) **"Health benefit plan", shall have the same meaning ascribed**
9 **to it as in section 376.1350;**

10 (4) **"Health carrier", shall have the same meaning ascribed to it**
11 **as in section 376.1350;**

12 (5) "Health practitioner", a chiropractor licensed pursuant to chapter 331,
13 a podiatrist licensed pursuant to chapter 330, a dentist licensed pursuant to
14 chapter 332, a physical therapist licensed under chapter 334, a physician or
15 surgeon licensed pursuant to chapter 334, or an optometrist licensed pursuant to
16 chapter 336, while acting within the scope of their practice;

17 [(4)] (6) "Insurance carrier", any person, firm, corporation, association
18 or aggregation of persons conducting an insurance business pursuant to chapter

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 375, 376, 377, 378, 379, 380, 381, or 383;

20 [(5)] (7) "Other institution", a legal entity existing pursuant to the laws
21 of this state which delivers treatment, care or maintenance to patients who are
22 sick or injured;

23 [(6)] (8) "Patient", any person to whom a health practitioner, hospital,
24 clinic or other institution delivers treatment, care or maintenance for sickness or
25 injury caused by a tort-feasor from whom such person seeks damages or any
26 insurance carrier which has insured such tort-feasor.

27 2. Clinics, health practitioners and other institutions, as defined in this
28 section, shall have the same rights granted to hospitals in sections 430.230 to
29 430.250.

30 3. If the liens of such health practitioners, hospitals, clinics or other
31 institutions exceed fifty percent of the amount due the patient, every health care
32 practitioner, hospital, clinic or other institution giving notice of its lien, as
33 aforesaid, shall share in up to fifty percent of the net proceeds due the patient,
34 in the proportion that each claim bears to the total amount of all other liens of
35 health care practitioners, hospitals, clinics or other institutions. "Net proceeds",
36 as used in this section, means the amount remaining after the payment of
37 contractual attorney fees, if any, and other expenses of recovery.

38 4. In administering the lien of the health care provider, the insurance
39 carrier may pay the amount due secured by the lien of the health care provider
40 directly, if the claimant authorizes it and does not challenge the amount of the
41 customary charges or that the treatment provided was for injuries caused by the
42 tort-feasor.

43 5. Any health care provider electing to receive benefits hereunder releases
44 the claimant from further liability on the cost of the services and treatment
45 provided to that point in time.

430.230. 1. Every public hospital or clinic, and every privately
2 maintained hospital, clinic or other institution for the care of the sick, which is
3 supported in whole or in part by charity, located within the state of Missouri, or
4 any such hospital duly incorporated under the laws of Missouri providing for the
5 incorporation of eleemosynary institutions, shall have a lien upon any and all
6 claims, counterclaims, demands, suits, or rights of action of any person admitted
7 to any hospital, clinic or other institution and receiving treatment, care or
8 maintenance therein for any cause including any personal injury sustained by
9 such person as the result of the negligence or wrongful act of another, which such

10 injured person may have, assert or maintain against the person or persons
11 causing such injury for damages on account of such injury, for the cost of such
12 services, computed at reasonable rates not to exceed twenty-five dollars per day
13 and the reasonable cost of necessary X-ray, laboratory, operating room and
14 medication service, as such hospital, clinic, or other institution shall render such
15 injured person on account of his conditions; provided further, that the lien herein
16 set forth shall not be applied or considered valid against anyone coming under the
17 workers' compensation law in this state.

18 **2. If a patient provides proof of insurance coverage under a**
19 **health benefit plan within thirty days of the patient's discharge from**
20 **a hospital, clinic, or other institution, the hospital, clinic, or other**
21 **institution shall submit all charges to the patient's health carrier or**
22 **health benefit plan prior to filing the notice of the lien pursuant to**
23 **section 430.240. The patient's health carrier or health benefit plan shall**
24 **not deny payment for services received on the basis that a third party**
25 **or other insurance carrier is responsible for the patient's injuries. This**
26 **subsection shall not prohibit a hospital, clinic, or other institution from**
27 **filing notice of a lien pursuant to section 430.240 for the amount owed**
28 **to the hospital, clinic, or other institution due to patient responsibility**
29 **including but not limited to charges for services not covered under the**
30 **health benefit plan, deductibles, copayments, coinsurance, or other**
31 **cost-share amounts.**

32 **3. If at any time subsequent to the filing of the notice of the lien**
33 **a hospital, clinic, or other institution receives health benefit plan**
34 **information regarding a patient, the hospital, clinic, or other**
35 **institution shall not be required to withdraw notice of the lien but shall**
36 **submit its charges to the health carrier or health benefit plan.**

37 **4. A hospital, clinic, or other institution is barred from seeking**
38 **from the patient or the patient's representative payment for any**
39 **amount of its charges that exceed the patient's financial obligation to**
40 **the hospital, clinic, or other institution under the terms of any health**
41 **benefit plan. The lien shall be reduced by the amount of any benefits**
42 **to which the patient is entitled under the terms of any contract or**
43 **health benefit plan and shall reflect credits for all payments,**
44 **contractual adjustments, write-offs, and any other benefit in favor of**
45 **the patient after the hospital, clinic, or other institution has made all**
46 **reasonable efforts to pursue the insurance claims in cooperation with**

47 **the patient.**

48 **5. If a hospital, clinic, or other institution fails to submit its**
49 **charges to an insured patient's health carrier or health benefit plan or**
50 **otherwise fails to pursue a health insurance claim, the amount of the**
51 **lien shall be reduced by the contracted discount or other limitation**
52 **which would have been applied had the claim been submitted for**
53 **reimbursement to the health carrier or administrator of such health**
54 **benefit plan.**

430.235. 1. Notwithstanding the provisions of section 430.230, every
2 public hospital or clinic, and every privately maintained hospital, clinic or other
3 institution for the care of the sick, which is supported in whole or in part by
4 charity, located within the state of Missouri, or any such hospital duly
5 incorporated under the laws of Missouri providing for the incorporation of
6 eleemosynary institutions, shall have a lien upon any and all claims,
7 counterclaims, demands, suits, or rights of action of any person admitted to any
8 hospital, clinic or other institution and receiving treatment, care or maintenance
9 therein for any cause including any personal injury sustained by such person as
10 the result of the negligence or wrongful act of another, which such injured person
11 may have, assert or maintain against the person or persons causing such injury
12 for damages on account of such injury, for the cost of such services, computed at
13 reasonable rates not to exceed the customary charges for the services and the
14 customary charges for necessary X-ray, laboratory, operating room and
15 medication services as such hospital, clinic or other institution shall render such
16 injured person on account of his conditions. The lien set forth in this section
17 shall not be applied or considered valid against anyone coming under the workers'
18 compensation law in this state. The lien set forth in this section shall be
19 considered valid and may be applied against medical benefits paid anyone under
20 the provisions of chapter 208, whether such benefits are paid from state or federal
21 funds, or a combination thereof.

22 **2. If a patient provides proof of insurance coverage under a**
23 **health benefit plan within thirty days of the patient's discharge from**
24 **a hospital, clinic, or other institution, the hospital, clinic, or other**
25 **institution shall submit all charges to the patient's health carrier or**
26 **health benefit plan prior to filing the notice of the lien pursuant to**
27 **section 430.240. The patient's health carrier or health benefit plan shall**
28 **not deny payment for services received on the basis that a third party**

29 or other insurance carrier is responsible for the patient's injuries. This
30 subsection shall not prohibit a hospital, clinic, or other institution from
31 filing notice of a lien pursuant to section 430.240 for the amount owed
32 to the hospital, clinic, or other institution due to patient responsibility
33 including but not limited to charges for services not covered under the
34 health benefit plan, deductibles, copayments, coinsurance, or other
35 cost-share amounts.

36 3. If at any time subsequent to the filing of the notice of the lien
37 a hospital, clinic, or other institution receives health benefit plan
38 information regarding a patient, the hospital, clinic, or other
39 institution shall not be required to withdraw notice of the lien but shall
40 submit the charges to the health carrier or health benefit plan.

41 4. A hospital, clinic, or other institution is barred from seeking
42 from the patient or the patient's representative payment for any
43 amount of the charges that exceed the patient's financial obligation to
44 the hospital, clinic, or other institution under the terms of any health
45 benefit plan. The lien shall be reduced by the amount of any benefits
46 to which the patient is entitled under the terms of any contract or
47 health benefit plan and shall reflect credits for all payments,
48 contractual adjustments, write-offs, and any other benefit in favor of
49 the patient after the hospital, clinic, or other institution has made all
50 reasonable efforts to pursue the insurance claims in cooperation with
51 the patient.

52 5. If a hospital, clinic, or other institution fails to submit its
53 charges to an insured patient's health carrier or health benefit plan or
54 otherwise fails to pursue a health insurance claim, the amount of the
55 lien shall be reduced by the contracted discount or other limitation
56 which would have been applied had the claim been submitted for
57 reimbursement to the health carrier or administrator of such health
58 benefit plan.

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