

Regular Session, 2010

HOUSE BILL NO. 796

BY REPRESENTATIVE ABRAMSON

CIVIL/DAMAGES: Provides relative to the recovery of medical expenses in certain circumstances

1 AN ACT

2 To enact R.S. 9:4755.1, relative to the recovery of medical expenses by the state; to provide
3 for a lien to recover certain expenses; to provide for applicability; to provide for
4 enforcement of the lien; to provide for the establishment of a special fund; to provide
5 for the purpose of fund; to provide for authorized uses of the fund; to provide for the
6 promulgation of rules; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 9:4755.1 is hereby enacted to read as follows:

9 §4755.1. Recovery of medical expenses

10 A. The state, through the Department of Health and Hospitals, shall have a
11 privilege and right of enforcement through intervention for the amount of any
12 discounted charges or fees of a health care provider, hospital, or ambulance service
13 required to be discounted pursuant to medicaid, medicare, or the terms of any
14 individual or employer provided health insurance contract. The privilege shall apply
15 only to the discounted portion of the charges and fees and shall be collectable from
16 the total amount of any recovery or sum had, collected, or to be collected, whether
17 by judgment or by settlement or compromise, from another person on account of
18 injuries to the insured. The privilege of an attorney shall have precedence over the
19 privilege created pursuant to this Section.

1 B. There is hereby established in the state treasury, as a special fund, the
2 Louisiana Medical Re-Fund, hereafter referred to as the "fund", which shall be
3 maintained and operated by the Department of Health and Hospitals.

4 C.(1) The source of monies deposited into the fund shall be all funds
5 collected pursuant to the provisions of this Section and other monies which may be
6 provided by law. The monies in the fund shall be appropriated, administered, and
7 used solely for the purposes of providing health care and related services to the
8 citizens of this state. All unexpended and unencumbered monies in the fund at the
9 end of the fiscal year shall remain in the fund. Monies in the fund shall be invested
10 by the state treasurer in the same manner as monies in the state general fund, and
11 interest earned on the investment of monies shall be credited to the fund.

12 (2) Money in the fund, credited to the account of, or to be received by the
13 fund may be used to provide funding assistance to state run hospitals and to state
14 medicaid or medicare programs.

15 D. The fund shall be administered by the department, which is authorized to
16 enter into contracts and other agreements in connection with the operation of the
17 fund. The department shall maintain full authority for the operation of the fund in
18 accordance with applicable federal and state law.

19 E. The secretary of the department shall promulgate rules by January 1,
20 2011, in accordance with the Administrative Procedure Act and other federal and
21 state laws and regulations which shall have the effect of law to implement the
22 provisions of this Section. These rules shall include but not be limited to eligibility
23 requirements for receipt of the funds and procedures for the department to file and
24 enforce liens obtained pursuant to the provisions of this Section.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Abramson

HB No. 796

Abstract: Establishes a lien in favor of the Dept. of Health and Hospitals for the recovery of certain medical expenses and establishes the Louisiana Medical Re-Fund.

Proposed law provides that the state, through DHH, shall have a privilege and right of enforcement through intervention for the amount of any discounted charges or fees of a health care provider, hospital, or ambulance service required to be discounted pursuant to medicaid, medicare, or the terms of any individual or employer provided health insurance contract.

Proposed law provides that the privilege shall be collectable from the total amount of any recovery from another person on account of injuries to the insured, but provides that the privilege of an attorney shall have precedence over the privilege created by proposed law.

Proposed law establishes in the state treasury, as a special fund, the Louisiana Medical Re-Fund which shall be maintained and operated by DHH.

Proposed law provides that the source of monies deposited into the fund shall be all funds collected pursuant to the provisions of proposed law, and provides the procedures for administering the fund.

Proposed law provides that the fund may be used to provide funding assistance to state run hospitals and to state medicaid or medicare programs.

Proposed law requires the secretary of DHH to promulgate rules by Jan. 1, 2011, in accordance with the Administrative Procedure Act and other federal and state laws and regulations to implement the provisions of proposed law.

(Adds R.S. 9:4755.1)