

SENATE BILL 861

By Lundberg

AN ACT to amend Tennessee Code Annotated, Title 29,
Chapter 20, relative to governmental tort liability.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 29, Chapter 20, Part 1, is amended by adding the following as a new section:

(a) Notwithstanding § 24-5-113(b), in an action for personal injury under this chapter, if a claimant receives medical care for injuries and the provider of that medical care accepts as full payment an amount less than the amount stated in the medical provider's bill, then the claimant may not recover, as economic damages for past medical expenses, the undiscounted sum stated in the medical provider's bill but not paid by or on behalf of the claimant.

(b)

(1) In an action for personal injury under this chapter, a judgment may not be entered for the claimant for economic damages which exceed amounts received by or on behalf of the claimant from an alternate source as compensation for the personal injury, whether from private, group, or governmental sources, and whether contributory or noncontributory. Evidence of the negotiated amount paid or to be paid by a private, group, or governmental payor is admissible.

(2) As used in this subsection (b), an alternate source does not include death benefits paid under life insurance contracts.

(c) In actions involving an uninsured claimant under this chapter, a governmental entity may have a non-discounted medical bill calculated as though the medical bill is to

be paid under reimbursement rates established by Medicare. The calculated rate is admissible evidence of the claimant's economic loss for medical expenses and the medical provider's subrogation interest is limited to that calculated rate.

SECTION 2. This act takes effect July 1, 2021, the public welfare requiring it.