By Senators Grant, Sebesta, Lee and Hargrett

13-394B-99

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A bill to be entitled An act relating to Hillsborough County; amending s. 1 of chapter 98-499, Laws of Florida; requiring that a hospital in Hillsborough County bill the insurer or other payor of third-party benefits prior to recording a lien; requiring that the board of county commissioners of Hillsborough County revise any ordinance adopted under chapter 98-499, Laws of Florida, to incorporate amendments made to the chapter 98-499, Laws of Florida; repealing chapter 98-499, Laws of Florida, unless the board of county commissioners enacts an ordinance authorizing liens to enforce payment for the medical care of residents of Hillsborough County; providing an effective date and an expiration date. Be It Enacted by the Legislature of the State of Florida: Section 1. Section 1 of chapter 98-499, Laws of Florida, is amended to read: Section 1. The board of county commissioners of Hillsborough County may provide by ordinance for liens in favor of all operators of hospitals in Hillsborough County and in favor of Hillsborough County when it pays for medical care, treatment, or maintenance of qualifying residents of the county upon all causes of action, suits, claims,

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counterclaims, and demands accruing to persons to whom care,

treatment, or maintenance is furnished by such hospital or is

CODING: Words stricken are deletions; words underlined are additions.

31 paid for by Hillsborough County on behalf of a qualifying

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resident of the county, or accruing to the legal representatives of such persons, and upon all judgments, settlements, and settlement agreements entered into by virtue thereof on account of illness, injury, deformity, infirmity, abnormality, disease, or pregnancy giving rise to such causes of action, suits, claims, counterclaims, demands, judgments, settlements, and settlement agreements, and which necessitated such care, treatment, or maintenance; and may provide by ordinance for the attachment, perfection, priority, and enforcement of such liens and for such procedural and other matters as may be necessary or appropriate to carry out the purposes of the ordinance. If the patient is covered by or is a beneficiary of commercial, nongovernmental health insurance 14 coverage through a health maintenance organization or other nongovernmental entity that is under contract with the hospital to provide care to the patient at the time care and treatment are delivered, then the lien shall be limited to the covered charges in effect at the time care and treatment were delivered, and the lien may shall not exceed the amount that the hospital has contracted to accept from all sources for the care and treatment of the patient. The hospital may not record a lien unless the insurer or other payor of third-party benefits, including the Medicaid or Medicare programs and the County Indigent Health Care Plan, has been billed for the covered charges. The hospital must accept the contract amount in payment for the covered services, including the contract amount provided under the Medicaid or Medicare programs or the County Indigent Health Care Plan. If In the event of a claim or action by the patient against a third party for which the settlement or judgment is less than or equal to a sum of the 31 debt actually due and owing the hospital, the settlement or

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judgment will be equitably distributed based on the pro rata 2 reduction in the amount due the hospital and the patient, 3 including a pro rata reduction in the amount of reasonable attorney's fees and costs due the patient's attorney on that 4 5 portion of the settlement or judgment attributable to the 6 hospital lien. If In the event of a claim or action by the 7 patient against a third party for which the settlement or 8 judgment exceeds the debt actually due and owing the hospital 9 but is not adequate to cover the amount actually due and owing 10 the hospital, as well as the patient's attorney's fees, then 11 the settlement or judgment will be equitably distributed based on a pro rata share of the amount due the hospital and the 12 13 patient, including a pro rata share for the amount of reasonable attorney's fees and costs due the patient's 14 attorney and the hospital's attorney. If In the event 15 litigation is filed to recover a plaintiff's damages through 16 17 settlement or judgment, then the hospital's lien actually collected shall be subject to assessment, by reduction, for 18 19 plaintiff's attorney's fees, which for the lien assessment 20 shall be capped at 25 percent. Any ordinance adopted by 21 Hillsborough County under this act must grant, without exception, both to every hospital operating in the county and 22 to the County Indigent Health Care Plan the identical 23 24 remedies. 25 Section 2. The board of county commissioners of Hillsborough County shall revise any ordinance adopted 26 27 pursuant to chapter 98-499, Laws of Florida, to incorporate 28 the amendments made by this act to chapter 98-499, Laws of

Section 3. <u>Chapter 98-499</u>, <u>Laws of Florida</u>, is repealed on July 1, 1999, and this act expires on that date

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unless the board of county commissioners of Hillsborough
    County enacts an ordinance before that date which affects the
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    statutory provisions of Section 1 of chapter 98-499, Laws of
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           Section 4. This act shall take effect upon becoming a
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    law.
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