

BILL ANALYSIS

Senate Research Center
81R6432 AJA-D

S.B. 747
By: Carona
State Affairs
3/2/2009
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 55.002 of the Property Code allows a hospital or an emergency medical services provider to secure a lien against a patient for amounts owed as a result of services provided by the hospital or emergency services provider in connection with an injury resulting from an accident. The lien may be secured against monies received by the injured patient from a suit based on the accident in which the individual was injured. However, hospitals and emergency services providers are not required to give a patient notice of the lien, which can leave a patient without the opportunity to pay the outstanding amounts owed before a lien has been secured. This is especially problematic for the patient when the amounts owed are for charges not covered by the patient's insurer since the patient may not be aware of the existence of an outstanding balance and have an opportunity to pay the outstanding amount owed before a lien is secured against the patient.

As proposed, S.B. 747 amends Section 55.005 of the Property Code to provide that, in order to secure a lien, a hospital or emergency medical services provider must give notice to an injured patient of its intention to file a lien. S.B. 747 requires a hospital or emergency medical services provider to file an affidavit affirming that the notice was given, and requires that the notice be sent by certified mail not later than the 10th day before the date the hospital or emergency medical services provider files a notice of the lien with the county clerk.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 55.005, Property Code, by amending Subsections (a) and (b), and adding Subsection (d), as follows:

- (a) Requires a hospital or emergency medical services provider, to secure a lien, to provide notice to the injured individual in accordance with Subsection (d), and file written notice of the lien with the county clerk of the county in which the services were provided before money is paid to an entitled person because of the injury. Makes a conforming change.
- (b) Requires that the notice filed under Subsection (a)(2) (relating to written notice filed with a county clerk) contain certain information, including an affidavit by an agent of the hospital or emergency medical services provider that affirms that the notice to the injured individual was given in accordance with Subsection (d). Makes nonsubstantive changes.
- (d) Requires the hospital or emergency medical services provider to send a written notice to the injured individual by certified mail, return receipt requested, not later than the 10th day before the date a hospital or emergency medical services provider files a notice with the county clerk under Subsection (a)(2), that specifies the amount of the unpaid charges that are the basis for a lien under this chapter and to whom the charges are owed; and states that the hospital or emergency medical services provider will file a notice of a hospital lien with the county clerk of the county in which the services were provided, in accordance with Chapter 55 (Hospital and Emergency Medical Services Liens), Property

Code, if the injured individual does not pay the charges before the 10th day after the date the notice is sent.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.