

BILL ANALYSIS

Senate Research Center
86R27021 BEE-F

H.B. 2929
By: Leach (Hancock)
State Affairs
5/16/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2929 proposes to amend Chapter 55, Property Code, to formally define admission to a hospital for hospital lien purposes. Under the proposed definition, an individual would be considered admitted as required to attach a hospital lien if the individual is allowed access to any department of the hospital for the provision of any treatment, care, or service.

The need for clarification arises from attempts by some attorneys to argue for a narrower interpretation considering a person admitted to a hospital only when that person receives in-patient care from a hospital, thereby prohibiting the attachment of liens related to financial settlements that result from a cause of action to pay for the cost of providing other hospital services.

H.B. 2929 also caps the amount of a hospital lien at the lesser of a patient's hospital charges for the first hundred days of hospitalization or 50 percent of the judgment to which the lien attaches, and bars the inclusion in the lien of any charges for which a patient would not be liable if the patient's health insurance would cover the charge.

The bill is supported by the Texas Hospital Association and has been agreed to by the Texas Trial Lawyers Association.

The bill would create Section 55.0015, Property Code, "ADMISSION TO HOSPITAL," clarifying the definition with the following language:

For purposes of this chapter, an injured individual is considered admitted to a hospital if the individual is allowed access to any department of the hospital for the provision of any treatment, care, or service to the individual.

The bill also caps the amount of a hospital lien at the lesser of a patient's hospital charges for the first hundred days of hospitalization or 50 percent of the judgment to which a lien attaches, and bars the inclusion in the lien of any charges for which a patient would not be liable due to insurance coverage.

H.B. 2929 amends current law relating to hospital liens.

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 Chapter 55, Property Code, by adding Section 55.0015, as follows:

Sec. 55.0015. ADMISSION TO HOSPITAL. Provides that, for purposes of this chapter (Hospital and Emergency Medical Services Liens), an injured individual is considered admitted to a hospital if the individual is allowed access to any department of the hospital for the provision of any treatment, care, or service to the individual.

SECTION 2. Amends Sections 55.004(b) and (d), Property Code, as follows:

(b) Provides that a hospital lien described by Section 55.002(a) (relating to providing that a hospital has a lien on a cause of action or claim of an individual who receives hospital services for injuries caused by an accident that is attributed to the negligence of another person) is for the lesser of:

(1) creates this subdivision from existing text and makes a nonsubstantive change to this subdivision; or

(2) 50 percent of all amounts recovered by the injured individual through a cause of action, judgment, or settlement described by Section 55.003(a) (relating to providing that a lien under this chapter attaches to certain procedures).

(d) Provides that a hospital lien described by Section 55.002(a) does not cover:

(1)–(2) makes no changes to these subdivisions;

(3)–(4) makes nonsubstantive changes to these subdivisions; or

(5) charges for which recovery is barred under Section 146.003 (Certain Claims Barred), Civil Practice and Remedies Code.

SECTION 3. Provides that the addition by this Act of Section 55.0015, Property Code, is intended to clarify rather than change the existing law.

SECTION 4. Effective date: upon passage or September 1, 2019.