

ASSEMBLY BILL NO. 119—ASSEMBLYMAN HORNE

PREFILED FEBRUARY 3, 2011

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to certain liens.
(BDR 9-305)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to liens; establishing a lien for health care services on certain judgments and settlements; setting forth the requirements for enforcing such a lien against certain persons; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, whenever a person receives hospitalization because of an
2 injury, the hospital has a lien on the proceeds of a personal injury case awarded in a
3 judgment to or obtained in a settlement by the injured person or, in the case of the
4 person’s death, a personal representative of the person. (NRS 108.590) Existing law
5 also provides the circumstances pursuant to which a person alleged to be
6 responsible for causing the injury and the insurance carrier of that person are liable
7 to the hospital under such a lien. Those circumstances include the satisfaction of
8 certain requirements, including, without limitation, that the hospital: (1) filed a
9 notice of lien in certain offices of the county recorder; and (2) served a certified
10 copy of the notice of lien on the person alleged to be responsible for causing the
11 injury and, if known, the insurance carrier of that person. (NRS 108.610, 108.650)
12 **Sections 2-7** of this bill expand the applicability of those provisions to include a
13 lien for health care services provided to an injured person by a provider of health
14 care. **Section 1** of this bill defines the term “provider of health care” for the
15 purposes of such a lien for health care services to include any physician, hospital or
16 other person who is licensed or otherwise authorized in this State to furnish any
17 health care service.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 108 of NRS is hereby amended by adding thereto a new section to read as follows:

As used in this section and NRS 108.590 to 108.660, inclusive, "provider of health care" means any physician, hospital or other person who is licensed or otherwise authorized in this State to furnish any health care service.

Sec. 2. NRS 108.590 is hereby amended to read as follows:

108.590 1. Whenever any person receives ~~hospitalization~~ *a health care service* on account of any injury, and the injured person, or a personal representative after the person's death, claims damages from the person responsible for causing the injury, the ~~hospital~~ *provider of health care* has a lien upon any sum awarded the injured person or the personal representative by judgment or obtained by a settlement or compromise to the extent of the amount due the ~~hospital~~ *provider of health care* for the reasonable value of the ~~hospitalization~~ *health care service* rendered before the date of judgment, settlement or compromise.

2. The lien provided by this section is:

(a) Not valid against anyone coming under the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS.

(b) In addition to the lien provided by NRS 108.662.

Sec. 3. NRS 108.600 is hereby amended to read as follows:

108.600 1. No rights or claims for liens under NRS 108.590 to 108.660, inclusive, ~~shall~~ *and section 1 of this act may* be allowed for ~~hospitalization~~ *a health care service* rendered an injured person after a settlement has been effected by or on behalf of the party causing the injury.

2. No lien ~~shall~~ *may* apply or be allowed against any sum incurred by the injured party for necessary attorney fees, costs and expenses incurred by the injured party in securing a settlement, compromise or recovering damages by an action at law.

Sec. 4. NRS 108.610 is hereby amended to read as follows:

108.610 ~~In order to~~ *To* perfect the lien, the ~~hospital or the owner or operator thereof shall~~ *provider of health care must*:

1. Before the payment of any money to the injured person or to a legal representative as compensation for injuries received, record a notice of lien, substantially in the form prescribed in NRS 108.620, containing an itemized statement of the amount claimed. The notice of lien must be filed with:

(a) The county recorder of the county wherein the ~~hospital~~ *office of the provider of health care* is located; and



(b) The county recorder of the county wherein the injury was suffered, if the injury was suffered in a county other than ~~that wherein the hospital~~ *the county in which the office of the provider of health care* is located.

2. Before the date of judgment, settlement or compromise, serve a certified copy of the notice of lien by registered or certified mail upon the person alleged to be responsible for causing the injury and liable for damages on account thereof and from which damages are claimed.

3. Before the date of judgment, settlement or compromise, serve a certified copy of the notice of lien by registered or certified mail upon the insurance carrier, if known, which has insured against liability of the person alleged to be responsible for causing the injury and liable for damages on account thereof and from which damages are claimed.

Sec. 5. NRS 108.620 is hereby amended to read as follows:

108.620 The form of the notice required by NRS 108.610 must be substantially as follows:

Notice is hereby given that has rendered ~~{services in hospitalization}~~ *a health care service* for, a person who was injured on the day of the month of of the year in the city of, county of, on or about the day of the month of of the year; and that (name of claimant) hereby claims a lien upon any money due or owing or any claim for compensation, damages, contribution, settlement or judgment from, alleged to have caused the injuries, or any other person, corporation or association liable for the injury. The ~~{hospitalization}~~ *health care service* was rendered to the injured person between the day of the month of of the year and the day of the month of of the year

Itemized Statement

.....		
.....		
.....		
.....		

That 90 days have not elapsed since the termination of ~~{hospitalization;}~~ *the health care service*, that the claimant's demands for such care or service is in the sum of \$..... and that no part thereof has been paid except \$.....; and that there is now due and owing and remaining unpaid of such sum, after



* A B 1 1 9 *

deducting all credits and offsets, the sum of \$....., in which
amount lien is hereby claimed.

....., Claimant.

State of Nevada }
} ss.
County of }

I,, being first duly sworn, on oath say:
That I am, named in the foregoing claim of lien;
that I have read the same and know the contents thereof and believe
the same to be true.

.....
Subscribed and sworn to before me
this day of the month of of the year

.....
Notary Public in and for the
above-named county and state.

Sec. 6. NRS 108.640 is hereby amended to read as follows:

108.640 Any party legally liable or against whom a claim
~~{shall be}~~ **is** asserted for compensation or damages for injuries ~~{shall have}~~ **has** a right to examine and make copies of all records of any
~~{hospital}~~ **provider of health care** in reference to and connected
with the ~~{hospitalization}~~ **health care service** of such injured person.

Sec. 7. NRS 108.650 is hereby amended to read as follows:

108.650 1. Any person or insurer who, after the receipt of a
certified copy of the notice of lien pursuant to NRS 108.610, makes
any payment to the injured person, the person's heirs, personal
representatives or the attorney for any of them, as compensation for
the injury suffered, without paying the ~~{hospital}~~ **provider of health
care** the reasonable value of ~~{hospitalization}~~ **the health care
service** rendered to the injured person and claimed in its notice of
lien or so much thereof as can be satisfied out of the money due
under any final judgment, settlement or compromise, after paying
the attorney's fees, costs and expenses incurred in connection
therewith and any prior liens, is, for a period of 180 days after the
date of that payment, liable to the ~~{hospital}~~ **provider of health care**
for the amount or part thereof which the ~~{hospital}~~ **provider of
health care** was entitled to receive. The ~~{hospital}~~ **provider of
health care** has, within that period, a cause of action or other claim
for relief against the person or insurer making the payment, which



* A B 1 1 9 *

- 1 may be prosecuted and maintained in any county wherein the notice
2 of lien was filed.
- 3 2. Except as otherwise provided in this subsection, if the
4 ~~hospital~~ *provider of health care* is publicly owned or not for
5 profit, the person or insurer shall make the payment to the ~~hospital~~
6 *provider of health care* by issuing to the ~~hospital~~ *provider of*
7 *health care* a separate check or other negotiable instrument. If the
8 provisions of NRS 353.1467 apply, the person or insurer shall make
9 the payment to the ~~hospital~~ *provider of health care* by way of any
10 method of electronic transfer of money allowed by the ~~hospital.~~
11 *provider of health care.*
- 12 3. As used in this section, “electronic transfer of money” has
13 the meaning ascribed to it in NRS 353.1467.

