AN ACT TO CREATE A LIEN UPON ALL CLAIMS AND CAUSES OF ACTION
OF AN INJURED PERSON FOR THE AMOUNT OF ANY PORTION OF THE HEALTH
CARE PROVIDER BILL THAT IS OWED BY SUCH PERSON; TO PROVIDE FOR
PAYMENTS BY THIRD-PARTY PAYORS TO HEALTH CARE PROVIDERS IN SUCH
SITUATIONS; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. (1) Definitions. For purposes of this section:

(a) "Injured person" shall mean any natural person who
has been injured or killed or has become sick or diseased under
circumstances creating a cause of action in favor of the injured
person against any person, firm or corporation third party.

(b) "Health care provider" means a licensed physician,
osteopath, dentist, hospital, nurse, pharmacist, podiatrist,
optometrist or chiropractor.

(2) Health care provider lien. Each health care provider
that renders service in the treatment, care and/or maintenance of
an injured person shall have a lien upon all claims and causes of
action of the injured person for the amount of any portion of the
health care provider bill that (a) is unpaid and (b) the patient
or his third-party payor is legally obligated to pay. Such lien
and amount thereof shall be subject to the amount of payment as
contractually agreed to by the health care provider and the third
party payor as payment in full for services provided by the health
care provider to the injured person. The health care provider
lienor shall be entitled to recover the unpaid amount of its bill
for the treatment, care and/or maintenance of the injured person
that the injured person is legally obligated to pay from the
proceeds that may result from the exercise of any rights of
recovery by or on behalf of the injured person. The injured
person shall execute and deliver instruments and papers and do
whatever is necessary to secure the health care provider lienor's
rights to such recovery and shall do nothing to prejudice the
rights of the health care provider lienor. No judgment, award,
settlement or compromise secured by or on behalf of an injured
person shall be satisfied without the injured person or his or her
authorized representative first (a) satisfying the health care
provider lien from such monies received or to be received from
such judgment, award, settlement or compromise and (b) securing a
release from the health care provider lienor evidencing the
payment or extinction of the lien.

No judgment, award, settlement or compromise received by or
on behalf of the injured person shall be binding upon or affect
the rights of the health care provider lienor against the third
party unless the health care provider's lien is satisfied or
extinguished. Any proceeds of any judgment, award, settlement or
compromise received by or on behalf of an injured person in the
absence of a release or instrument of satisfaction of lien
executed by the health care provider lienor shall constitute
conclusive evidence of the liability of the third party to the
health care provider for the amount of the lien, and the health
care provider lienor, in litigating its claim against the third
party, shall be required only to prove the amount and correctness
of its claim relating to its charges for the treatment, care
and/or maintenance of the injured person that remain unpaid and
that the injured person is legally obligated to pay.

The health care provider lien created under this section
exists by virtue of the relation of the parties and the services
rendered; and the rights and liens conferred may be asserted and
enforced by the assigns and personal representatives of the
lienor.
Notwithstanding anything in this section to the contrary, a lien created under this section shall not be effective unless the health care provider lienor notifies the injured person by sending written notice within one (1) year from the date of the bill for the service rendered or ten (10) days prior to any recovery by the injured party, whichever occurs first, and a record of the notice is filed with the Secretary of State within the actual timeframes. The Secretary of State shall keep a record of all such filings, indexed by the name of the injured parties, available for public inspection. The Secretary of State may charge the health care provider lienor a fee in the amount of Ten Dollars ($10.00) for each filing to cover the cost of maintaining the filing records.

Notwithstanding anything in this section to the contrary, in no event shall the total amount recovered by a health care provider as a result of a lien under this section, or by more than one (1) provider as a result of multiple liens, exceed one-third (1/3) of the amount of the verdict, judgment, award, settlement or compromise secured by or on behalf of the injured person on his or her claim or right of action.

As long as the charges for the treatment, care and/or maintenance of the injured person that the injured person or his third-party payor is legally obligated to pay are unpaid, and subject to the terms and conditions of a health care contract, nothing herein shall be construed to diminish or otherwise restrict the rights of the health care provider to pursue payment of those charges in its regular course of business.

Nothing in this section shall be construed to create a health care provider lien upon any limited benefit health insurance policy, nor to require satisfaction of the health care provider lien from monies received under any limited benefit health insurance policy.

(3) Payments by third-party payors. In the event an injured person has health care coverage with a third-party payor, and as a
result of such coverage, such third-party payor is legally
obligated to pay the health care provider for all or a portion of
the treatment, care and maintenance delivered by the health care
provider to the injured person, then in such event the third-party
payor shall make such payment to the health care provider within
the same time period it would otherwise make payment without
taking into account the possibility of a monetary recovery by the
injured person from the wrongdoer. In no event can a third-party
payor withhold from the health care provider or the injured party
monies that it is legally obligated to pay because of the
anticipation of a verdict, judgment, award, settlement or
compromise that may be secured by or on behalf of the injured
person on his or her claim or cause of action.

SECTION 2. This act shall take effect and be in force from
and after July 1, 2003.