

February 28, 1963.

Passed on File. *Calendar 3/11*

House File 425

By COMMITTEE ON INSTITUTIONS
OF HIGHER LEARNING.

Passed House, Date 3-22-63

Passed Senate, Date 4-23-63

Vote: Ayes 92 Nays 0

Vote: Ayes 48 Nays 0

Approved 4-26-63

*Passed on file 3/25
Board of Control
S.C. calendar 3/26
4/22*

A BILL FOR

An Act to authorize the university hospital at Iowa City to collect and settle claims for the care of patients.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 Section 1. Chapter two hundred fifty-five (255), Code 1962,
- 2 is hereby amended by adding the following section:
- 3 "Whenever a patient or person legally liable for his care
- 4 at the hospital has insurance, an estate, rights of action
- 5 against others, or other assets, any of which can be subjected
- 6 thereto, the university hospital, by its superintendent or his
- 7 assistants through the facilities of the attorney general's of-
- 8 fice, is hereby authorized to file claims, institute or defend
- 9 suits in courts, and use such other legal means as may be
- 10 available to collect accounts incurred for the care of indigent
- 11 or private patients, and may compromise, settle and release the
- 12 same, all under such rules and procedures therefor as may be
- 13 prescribed by the president of the university and the attorney
- 14 general. If a county has paid any part of such patient's care
- 15 a pro rata part of the amount collected, after deduction for
- 16 cost of collection, shall be remitted to said county and the
- 17 balance shall go into the hospital fund."

EXPLANATION OF HOUSE FILE 425

Generally, collection for reimbursement for indigent's care is left to the board of supervisors of the county from which the patient was committed, under the last paragraph of section 225.26. The hospital has no information as to how often this is done, but it frequently has information about patient's estate being probated, suits being instituted against another person in accident cases, hospital insurance benefits or other

situations where by filing a claim or hospital lien or suit collection can be obtained. The hospital has made a practice of trying to collect in such cases. Many times there are other conflicting liens or claims and litigation arises; in other cases compromise settlements are offered. Under the procedure heretofore followed, whenever a settlement is negotiated and an amount less than full payment is to be received, the matter had to be submitted to the executive council through the attorney general in each instance.

The suggested amendment would clarify the authority to so collect reimbursement, which has sometimes been questioned, and would shorten the procedure to a more practical basis and avoid submitting each small settlement to the executive council.