

JAN 24 1997  
JUDICIARY

HOUSE FILE 83  
BY BRADLEY and GRUNDBERG

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act providing for the establishment of a lien by licensed  
2 professionals against damages collected by an injured patient.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 83

1 Section 1. Section 582.1, Code 1997, is amended to read as  
2 follows:

3 582.1 NATURE OF LIEN.

4 Every association, corporation, county, or other  
5 institution, including a municipal corporation, maintaining a  
6 hospital in the state, ~~which shall furnish~~ and every licensed  
7 professional who furnishes medical or other service to any  
8 patient injured by reason of an accident not covered by the  
9 workers' compensation Act, shall, if ~~such~~ the injured party  
10 ~~shall assert~~ asserts or ~~maintain~~ maintains a claim against  
11 another for damages on account of ~~such~~ the injuries, have a  
12 lien upon that part going or belonging to ~~such~~ the patient of  
13 any recovery or sum had or collected or to be collected by  
14 ~~such~~ the patient, or by the patient's heirs or personal  
15 representatives in the case of the patient's death, whether by  
16 judgment or by settlement or compromise to the amount of the  
17 reasonable and necessary charges of ~~such~~ the hospital or  
18 licensed professional, if applicable, for the treatment, care,  
19 and maintenance of ~~such~~ the patient in ~~such~~ the hospital or by  
20 the licensed professional, if applicable, up to the date of  
21 payment of ~~such~~ the damages; provided, however, that this lien  
22 shall not in any way prejudice or interfere with any lien or  
23 contract which may be made by ~~such~~ the patient or the  
24 patient's heirs or personal representatives with any attorney  
25 or attorneys for handling the claim on behalf of such patient,  
26 the patient's heirs, or personal representatives; provided,  
27 further, that the lien ~~herein set forth~~ shall not be applied  
28 or considered valid against anyone coming under the workers'  
29 compensation Act in this state. For the purposes of this  
30 chapter, "licensed professional" means an individual licensed  
31 to practice medicine and surgery pursuant to chapter 148 or  
32 licensed to practice osteopathic medicine and surgery pursuant  
33 to chapter 150A.

34 Sec. 2. Section 582.2, Code 1997, is amended to read as  
35 follows:

## 1 582.2 WRITTEN NOTICE OF LIEN.

2 ~~No-such~~ A lien shall not be effective, ~~however,~~ unless a  
3 written notice containing the name and address of the injured  
4 person, the date of the accident, the name and location of the  
5 hospital, the name of the licensed professional, if  
6 applicable, and the name of the person or persons, firm or  
7 firms, corporation or corporations alleged to be liable to the  
8 injured party for the injuries received, ~~shall-be~~ is filed in  
9 the office of the clerk of the district court of the county in  
10 which ~~such~~ the hospital is located or the licensed  
11 professional practices, if applicable, prior to the payment of  
12 any moneys to ~~such~~ the injured person, the person's attorneys  
13 or legal representative, as compensation for ~~such~~ the  
14 injuries; nor unless the hospital and the licensed  
15 professional, if applicable, shall also mail, postage prepaid,  
16 a copy of ~~such~~ the notice with a statement of the date of  
17 filing ~~thereof~~ of the notice to the person or persons, firm or  
18 firms, corporation or corporations alleged to be liable to the  
19 injured party for the injuries sustained prior to the payment  
20 of any moneys to ~~such~~ the injured person, the person's  
21 attorneys or legal representative, as compensation for ~~such~~  
22 the injuries. ~~Such~~ The hospital shall mail a copy of ~~such~~ the  
23 notice to any insurance carrier which has insured ~~such~~ the  
24 person, firm, or corporation against ~~such~~ the liability, if  
25 the name and address ~~shall-be~~ are known.

26 Sec. 3. Section 582.3, Code 1997, is amended to read as  
27 follows:

## 28 582.3 DURATION AND ENFORCEMENT OF LIEN.

29 Any person or persons, firm or firms, corporation or  
30 corporations, including an insurance carrier, making any  
31 payment to ~~such~~ a patient or to the patient's attorneys or  
32 heirs or legal representatives as compensation for the injury  
33 sustained, after the filing and mailing of ~~such~~ the notice  
34 without paying to ~~such~~ the hospital or any licensed  
35 professional, if applicable, the amount of ~~its~~ the lien or so

1 much thereof as can be satisfied out of the moneys due under  
2 any final judgment or compromise or settlement agreement,  
3 after paying the amount of any prior liens, shall, for a  
4 period of one year from the date of payment to such the  
5 patient or the patient's heirs, attorneys, or legal  
6 representatives, ~~as aforesaid, be and~~ remain liable to such  
7 the hospital or licensed professional, if applicable, for the  
8 amount which such the hospital or licensed professional, if  
9 applicable, was entitled to receive ~~as aforesaid;~~ any such  
10 association, corporation, or other institution maintaining  
11 such the hospital or any licensed professional, if applicable,  
12 may, within such the period, enforce ~~its~~ the lien by a suit at  
13 law against such the person or persons, firm or firms,  
14 corporation or corporations making any such payment.

15 Sec. 4. Section 582.4, Code 1997, is amended to read as  
16 follows:

17 582.4 LIEN BOOK -- FEES.

18 Every clerk of the district court shall, at the expense of  
19 the county, provide a suitable well-bound book to be called  
20 the hospital and licensed professional lien docket in which,  
21 upon the filing of any lien claim under the provisions of this  
22 chapter, the clerk shall enter the name of the injured person,  
23 the date of the accident, and the name of the hospital or  
24 other institution or of the licensed professional, if  
25 applicable, making the claim. The clerk shall make a proper  
26 index of the same claim in the name of the injured person and  
27 the clerk shall collect a fee of ten dollars for filing each  
28 lien claim.

29 EXPLANATION

30 This bill provides for the establishment of a lien against  
31 sums collected by a person injured in an accident not covered  
32 by the workers' compensation law, as damages, for payment of  
33 licensed professionals, in addition to the existing lien which  
34 may be maintained by a hospital providing care, treatment, and  
35 maintenance to a patient. The bill defines a licensed

1 professional as an individual licensed to practice medicine  
2 and surgery or osteopathic medicine and surgery.

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7 professional who furnishes medical or other service to any  
8 patient injured by reason of an accident not covered by the  
9 workers' compensation Act, shall, if ~~such~~ the injured party  
10 ~~shall assert~~ asserts or ~~maintain~~ maintains a claim against  
11 another for damages on account of ~~such~~ the injuries, have a  
12 lien upon that part going or belonging to ~~such~~ the patient of  
13 any recovery or sum had or collected or to be collected by  
14 ~~such~~ the patient, or by the patient's heirs or personal  
15 representatives in the case of the patient's death, whether by  
16 judgment or by settlement or compromise to the amount of the  
17 reasonable and necessary charges of ~~such~~ the hospital or  
18 licensed professional, if applicable, for the treatment, care,  
19 and maintenance of ~~such~~ the patient in ~~such~~ the hospital or by  
20 the licensed professional, if applicable, up to the date of  
21 payment of ~~such~~ the damages; provided, however, that this lien  
22 shall not in any way prejudice or interfere with any lien or  
23 contract which may be made by ~~such~~ the patient or the  
24 patient's heirs or personal representatives with any attorney  
25 or attorneys for handling the claim on behalf of such patient,  
26 the patient's heirs, or personal representatives; provided,  
27 further, that the lien ~~herein set forth~~ shall not be applied  
28 or considered valid against anyone coming under the workers'  
29 compensation Act in this state. For the purposes of this  
30 chapter, "licensed professional" means an individual licensed  
31 to practice medicine and surgery pursuant to chapter 148 or  
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4 person, the date of the accident, the name and location of the  
5 hospital, the name of the licensed professional, if  
6 applicable, and the name of the person or persons, firm or  
7 firms, corporation or corporations alleged to be liable to the  
8 injured party for the injuries received, ~~shall-be~~ is filed in  
9 the office of the clerk of the district court of the county in  
10 which ~~such~~ the hospital is located or the licensed  
11 professional practices, if applicable, prior to the payment of  
12 any moneys to ~~such~~ the injured person, the person's attorneys  
13 or legal representative, as compensation for ~~such~~ the  
14 injuries; nor unless the hospital and the licensed  
15 professional, if applicable, shall also mail, postage prepaid,  
16 a copy of ~~such~~ the notice with a statement of the date of  
17 filing ~~thereof~~ of the notice to the person or persons, firm or  
18 firms, corporation or corporations alleged to be liable to the  
19 injured party for the injuries sustained prior to the payment  
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21 attorneys or legal representative, as compensation for ~~such~~  
22 the injuries. ~~Such~~ The hospital shall mail a copy of ~~such~~ the  
23 notice to any insurance carrier which has insured ~~such~~ the  
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32 heirs or legal representatives as compensation for the injury  
33 sustained, after the filing and mailing of ~~such~~ the notice  
34 without paying to ~~such~~ the hospital or any licensed  
35 professional, if applicable, the amount of ~~its~~ the lien or so



1 much thereof as can be satisfied out of the moneys due under  
2 any final judgment or compromise or settlement agreement,  
3 after paying the amount of any prior liens, shall, for a  
4 period of one year from the date of payment to such the  
5 patient or the patient's heirs, attorneys, or legal  
6 representatives, ~~as-aforsaid, be-and~~ remain liable to such  
7 the hospital or licensed professional, if applicable, for the  
8 amount which such the hospital or licensed professional, if  
9 applicable, was entitled to receive ~~as-aforsaid;~~ any such  
10 association, corporation, or other institution maintaining  
11 such the hospital or any licensed professional, if applicable,  
12 may, within such the period, enforce ~~its~~ the lien by a suit at  
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