

**HB0696**



**101ST GENERAL ASSEMBLY**

**State of Illinois**

**2019 and 2020**

**HB0696**

by Rep. Michael J. Madigan

**SYNOPSIS AS INTRODUCED:**

770 ILCS 23/10

Amends the Health Care Services Lien Act. Makes a technical change in a Section concerning the creation and limitation of liens.

LRB101 03741 LNS 48749 b

**A BILL FOR**

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Health Care Services Lien Act is amended by  
5 changing Section 10 as follows:

6 (770 ILCS 23/10)

7 Sec. 10. Lien created; limitation.

8 (a) Every health care professional and ~~and~~ health care  
9 provider that renders any service in the treatment, care, or  
10 maintenance of an injured person, except services rendered  
11 under the provisions of the Workers' Compensation Act or the  
12 Workers' Occupational Diseases Act, shall have a lien upon all  
13 claims and causes of action of the injured person for the  
14 amount of the health care professional's or health care  
15 provider's reasonable charges up to the date of payment of  
16 damages to the injured person. The total amount of all liens  
17 under this Act, however, shall not exceed 40% of the verdict,  
18 judgment, award, settlement, or compromise secured by or on  
19 behalf of the injured person on his or her claim or right of  
20 action.

21 (b) The lien shall include a written notice containing the  
22 name and address of the injured person, the date of the injury,  
23 the name and address of the health care professional or health

1 care provider, and the name of the party alleged to be liable  
2 to make compensation to the injured person for the injuries  
3 received. The lien notice shall be served on both the injured  
4 person and the party against whom the claim or right of action  
5 exists. Notwithstanding any other provision of this Act,  
6 payment in good faith to any person other than the healthcare  
7 professional or healthcare provider claiming or asserting such  
8 lien prior to the service of such notice of lien shall, to the  
9 extent of the payment so made, bar or prevent the creation of  
10 an enforceable lien. Service shall be made by registered or  
11 certified mail or in person.

12 (c) All health care professionals and health care providers  
13 holding liens under this Act with respect to a particular  
14 injured person shall share proportionate amounts within the  
15 statutory limitation set forth in subsection (a). The statutory  
16 limitations under this Section may be waived or otherwise  
17 reduced only by the lienholder. No individual licensed category  
18 of health care professional (such as physicians) or health care  
19 provider (such as hospitals) as set forth in Section 5,  
20 however, may receive more than one-third of the verdict,  
21 judgment, award, settlement, or compromise secured by or on  
22 behalf of the injured person on his or her claim or right of  
23 action. If the total amount of all liens under this Act meets  
24 or exceeds 40% of the verdict, judgment, award, settlement, or  
25 compromise, then:

26 (1) all the liens of health care professionals shall

1 not exceed 20% of the verdict, judgment, award, settlement,  
2 or compromise; and

3 (2) all the liens of health care providers shall not  
4 exceed 20% of the verdict, judgment, award, settlement, or  
5 compromise;

6 provided, however, that health care services liens shall be  
7 satisfied to the extent possible for all health care  
8 professionals and health care providers by reallocating the  
9 amount unused within the aggregate total limitation of 40% for  
10 all health care services liens under this Act; and provided  
11 further that the amounts of liens under paragraphs (1) and (2)  
12 are subject to the one-third limitation under this subsection.

13 If the total amount of all liens under this Act meets or  
14 exceeds 40% of the verdict, judgment, award, settlement, or  
15 compromise, the total amount of all the liens of attorneys  
16 under the Attorneys Lien Act shall not exceed 30% of the  
17 verdict, judgment, award, settlement, or compromise. If an  
18 appeal is taken by any party to a suit based on the claim or  
19 cause of action, however, the attorney's lien shall not be  
20 affected or limited by the provisions of this Act.

21 (d) If services furnished by health care professionals and  
22 health care providers are billed at one all-inclusive rate, the  
23 total reasonable charges for those services shall be reasonably  
24 allocated among the health care professionals and health care  
25 providers and treated as separate liens for purposes of this  
26 Act, including the filing of separate lien notices. For

1 services provided under an all-inclusive rate, the liens of  
2 health care professionals and health care providers may be  
3 asserted by the entity that bills the all-inclusive rate.

4 (e) Payments under the liens shall be made directly to the  
5 health care professionals and health care providers. For  
6 services provided under an all-inclusive rate, payments under  
7 liens shall be made directly to the entity that bills the  
8 all-inclusive rate.

9 (Source: P.A. 93-51, eff. 7-1-03.)