



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

Introduced 02/06/04, by Tom Cross

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.

LRB093 14623 LCB 40133 b

1 AN ACT concerning liens.

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

20 (b) The lien must ~~shall~~ include a written notice containing
21 the name and address of the injured person, the date of the
22 injury, the name and address of the health care professional or
23 health care provider, and the name of the party alleged to be
24 liable to make compensation to the injured person for the
25 injuries received. The lien notice shall be served on both the
26 injured person and the party against whom the claim or right of
27 action exists. Notwithstanding any other provision of this Act,
28 payment in good faith to any person other than the healthcare
29 professional or healthcare provider claiming or asserting such
30 lien prior to the service of such notice of lien shall, to the
31 extent of the payment so made, bar or prevent the creation of
32 an enforceable lien. Service shall be made by registered or

1 certified mail or in person.

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

16 (1) all the liens of health care professionals shall
17 not exceed 20% of the verdict, judgment, award, settlement,
18 or compromise; and

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

22 provided, however, that health care services liens shall be
23 satisfied to the extent possible for all health care
24 professionals and health care providers by reallocating the
25 amount unused within the aggregate total limitation of 40% for
26 all health care services liens under this Act; and provided
27 further that the amounts of liens under paragraphs (1) and (2)
28 are subject to the one-third limitation under this subsection.

29 If the total amount of all liens under this Act meets or
30 exceeds 40% of the verdict, judgment, award, settlement, or
31 compromise, the total amount of all the liens of attorneys
32 under the Attorneys Lien Act shall not exceed 30% of the
33 verdict, judgment, award, settlement, or compromise. If an
34 appeal is taken by any party to a suit based on the claim or
35 cause of action, however, the attorney's lien shall not be
36 affected or limited by the provisions of this Act.

1 (d) If services furnished by health care professionals and
2 health care providers are billed at one all-inclusive rate, the
3 total reasonable charges for those services shall be reasonably
4 allocated among the health care professionals and health care
5 providers and treated as separate liens for purposes of this
6 Act, including the filing of separate lien notices. For
7 services provided under an all-inclusive rate, the liens of
8 health care professionals and health care providers may be
9 asserted by the entity that bills the all-inclusive rate.

10 (e) Payments under the liens shall be made directly to the
11 health care professionals and health care providers. For
12 services provided under an all-inclusive rate, payments under
13 liens shall be made directly to the entity that bills the
14 all-inclusive rate.

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