

CHAPTER NO. 532.

HOUSE BILL NO. 783

INTRODUCED BY LORY, RAMIREZ

IN THE HOUSE

February 13, 1979	Introduced and referred to Committee on Judiciary.
February 19, 1979	Committee recommend bill do pass. Report adopted.
February 21, 1979	Second reading, do pass.
February 22, 1979	Considered correctly engrossed.
	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 23, 1979	Introduced and referred to Committee on Judiciary.
March 14, 1979	Committee recommend bill be concurred in as amended. Report adopted.
March 16, 1979	Second reading, concurred in.
March 19, 1979	Third reading, concurred in as amended.

IN THE HOUSE

March 20, 1979	Returned from second house. Concurred in as amended.
March 21, 1979	On motion consideration passed until the 71st Legislative Day.
March 30, 1979	Second reading, amendments adopted.

March 31, 1979

Third reading, amendments
adopted. Sent to enrolling.

Reported correctly enrolled.

1 HOUSE BILL NO. 783
2 INTRODUCED BY Long, Jimmy

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE LIENS FOR
5 PHYSICIANS, NURSES, AND HOSPITALS FOR SERVICES RENDERED;
6 REPEALING SECTIONS 71-3-1101 THROUGH 71-3-1105, MCA."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Short title. [This act] may be cited as the
10 "Physician, Nurse, and Hospital Lien Act of 1979".

11 Section 2. Purpose. The purpose of [this act] is to
12 establish lien rights for physicians, nurses, and hospitals
13 when a person receiving medical treatment:

- 14 (1) is injured through the fault or neglect of
- 15 another; or
- 16 (2) is insured.

17 Section 3. Definitions. As used in [this act], the
18 following definitions apply:

- 19 (1) "Beneficiary" means a person entitled to insurance
- 20 benefits.
- 21 (2) "Insurance" means a contract whereby a person, the
- 22 insurer, undertakes to indemnify another, the insured, or
- 23 pay or provide a determinable amount or benefit upon
- 24 determinable contingencies.
- 25 (3) "Person" means an individual, a corporation, an

1 organization, or other legal entity.

2 Section 4. Liens of physicians, nurses, and hospitals.

3 (1) Whenever a physician, nurse, or hospital renders
4 services to a person injured through the fault or neglect of
5 another, the physician, nurse, or hospital, upon giving the
6 required notice of lien, has a lien for the value of
7 services rendered on:

- 8 (a) any claim or cause of action the injured person,
- 9 his estate, or successors may have for injury, disease, or
- 10 death;
- 11 (b) any judgment the injured person, his estate, or
- 12 successors may obtain for injury, disease, or death; and
- 13 (c) all money paid in satisfaction of such judgment or
- 14 in settlement of the claim or cause of action.

15 (2) If a person is an insured or a beneficiary under
16 insurance which provides coverage in the event of injury or
17 disease, a physician, nurse, or hospital, upon giving the
18 required notice of lien, has a lien for the value of
19 services rendered on all proceeds or payments, except
20 payments for property damage, payable by the insurer.

21 (3) The amount of the lien may not exceed the
22 provisions of the schedule of fees adopted by the Montana
23 state medical association.

24 (4) The lien is subject to the lien of an attorney
25 provided in 37-61-420.

1 Section 5. Notice of lien. (1) A physician, nurse, or
 2 hospital claiming a lien shall serve written notice upon the
 3 person and upon his insurer, if any, against whom liability
 4 for injury, disease, or death is asserted, stating the
 5 nature of the services, for whom and when rendered, the
 6 value of the services, and that a lien is claimed.

7 (2) A physician, nurse, or hospital claiming a lien
 8 upon proceeds or payments payable by an insurer shall serve
 9 written notice upon the insurer against whom the lien is
 10 asserted, stating the nature of the services, for whom and
 11 when rendered, the value of the services, and that a lien is
 12 claimed.

13 Section 6. Notice of lien -- filing with clerk of
 14 court. If an action is commenced for recovery for injury,
 15 disease, or death, a copy of the notice of lien may be filed
 16 in the office of the clerk of court in which the action is
 17 pending, and the filing is notice to all parties to the
 18 action.

19 Section 7. Liability for failure to recognize lien. If
 20 any insurer or person, after receiving notice of lien, makes
 21 payment on account of injury, disease, or death and the
 22 amount of the lien claimed by any physician, nurse, or
 23 hospital has not been paid, the insurer or person is liable
 24 to the physician, nurse, or hospital for the reasonable
 25 value of the services.

1 Section 8. When law not applicable. [This act] does
 2 not apply to any injury, disease, or death for which
 3 compensation is awarded pursuant to the Workers'
 4 Compensation Act or the Occupational Disease Act of Montana.
 5 Section 9. Repealer. Sections 71-3-1101 through
 6 71-3-1105, MCA, are repealed.

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 2 does not apply to any injury, disease, or death for which
 3 compensation is awarded pursuant to the Workers'
 4 Compensation Act or the Occupational Disease Act of Montana.

5 ~~(2) [THIS ACT] DOES NOT APPLY TO ANY BENEFITS PAYABLE~~
 6 ~~UNDER A POLICY OF LIFE INSURANCE OR GROUP LIFE INSURANCE, A~~
 7 ~~CONTRACT OF DISABILITY INSURANCE, OR AN ANNUITY CONTRACT OR~~
 8 ~~TO PENSION BENEFITS PAYABLE UNDER A QUALIFIED PENSION PLAN.~~

9 Section 9. Repealer. Sections 71-3-1101 through
 10 71-3-1105, MCA, are repealed.

-End-

March 14, 1979

SENATE STANDING COMMITTEE REPORT
(Local Government)

That House Bill No. 783 be amended as follows:

1. Page 2, lines 21 through 23.

Strike: subsection (3) in its entirety

Renumber: subsequent subsection

2. Page 4, line 1.

Following: "applicable."

Insert: "(1)"

3. Page 4.

Following: line 4

Insert: "(2)" [This act] does not apply to any benefits payable under a policy of life insurance or group life insurance, a contract of disability insurance, or an annuity contract or to pension benefits payable under a qualified pension plan."