SENATE BILL NO. 2

INTRODUCED BY HAGER

BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE ON LIEN LAWS

IN THE SENATE

- JANUARY 5, 1987 INTRODUCED AND REFERRED TO COMMITTEE ON JUDICIARY.
- JANUARY 21, 1987 COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
- JANUARY 22, 1987 PRINTING REPORT.
- JANUARY 24, 1987 SECOND READING, DO PASS.
- JANUARY 26, 1987 ENGROSSING REPORT.
- JANUARY 27, 1987 THIRD READING, PASSED.

TRANSMITTED TO HOUSE.

ON BUSINESS & LABOR.

COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.

SECOND READING, CONCURRED IN.

INTRODUCED AND REFERRED TO COMMITTEE

- IN THE HOUSE
- FEBRUARY 4, 1987
- MARCH 3, 1987
- MARCH 4, 1987
- MARCH 5, 1987 THIRD READING, CONCURRED IN. AYES, 98; NOES, 0.

RETURNED TO SENATE.

IN THE SENATE

MARCH 6, 1987 F	RECEIVED	FROM	HOUSE.
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SENT TO ENROLLING.

1	SENATE BILL NO. 2	1	therapists, occupational therapists, and hospitals. (1)
2	INTRODUCED BY HAGER	2	Whenever a physician, nurse, physical therapist,
3	BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE ON LIEN LAWS	3	occupational therapist, or hospital renders services to a
4		4	person injured through the fault or neglect of another, the
5	A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING LIEN	5	physician, nurse, physical therapist, occupational
6	RIGHTS FOR PHYSICAL THERAPISTS AND OCCUPATIONAL THERAPISTS;	6	therapist, or hospital, upon giving the required notice of
7	AMENDING SECTIONS 71-3-1111, 71-3-1112, 71-3-1114,	7	lien, has a lien for the value of services rendered on:
8	71-3-1115, 71-3-1117, AND 71-3-1118, MCA."	8	(a) any claim or cause of action the injured person,
9		9	his estate, or successors may have for injury, disease, or
10	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	10	death;
11	Section 1. Section 71-3-1111, MCA, is amended to read:	11	(b) any judgment the injured person, his estate, or
12	"71-3-1111. Short title. This part may be cited as the	12	successors may obtain for injury, disease, or death; and
13	"Physician, Nurse, Physical Therapist, Occupational	13	(c) all money paid in satisfaction of such judgment or
14	Therapist, and Hospital Lien Act of-1979"."	14	in settlement of the claim or cause of action.
15	Section 2. Section 71-3-1112, MCA, is amended to read:	15	(2) If a person is an insured or a beneficiary under
16	"71-3-1112. Purpose. The purpose of this part is to	16	insurance which provides coverage in the event of injury or
17	establish lien rights for physicians, nurses, physical	17	disease, a physician, nurse, <u>physical therapist</u> ,
18	therapists, occupational therapists, and hospitals when a	18	occupational therapist, or hospital, upon giving the
19	person receiving medical treatment:	19	required notice of lien, has a lien for the value of
20	(1) is injured through the fault or neglect of	20	services rendered on all proceeds or payments, except
21	another; or	21	payments for property damage, payable by the insurer.
22	(2) is either insured or a beneficiary under	22	(3) The lien is subject to the lien of an attorney
23	insurance."	23	provided in 37-61-420."
24	Section 3. Section 71-3-1114, MCA, is amended to read:	24	Section 4. Section 71-3-1115, MCA, is amended to read:
25	"71-3-1114. Liens of physicians, nurses, physical	25	"71-3-1115. Notice of lien. (1) A physician, nurse,

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INTRODUCED BILL -2-

LC 0116/01

physical therapist, occupational therapist, or hospital claiming a lien shall serve written notice upon the person and upon his insurer, if any, against whom liability for injury, disease, or death is asserted, stating the nature of the services, for whom and when rendered, the value of the services, and that a lien is claimed.

7 (2) A physician, nurse, physical therapist, 8 occupational therapist, or hospital claiming a lien upon 9 proceeds or payments payable by an insurer shall serve 10 written notice upon the insurer against whom the lien is 11 asserted, stating the nature of the services, for whom and 12 when rendered, the value of the services, and that a lien is 13 claimed."

14 Section 5. Section 71-3-1117, MCA, is amended to read: 15 "71-3-1117. Liability for failure to recognize lien. 16 If any insurer or person, after receiving notice of lien, 17 makes payment on account of injury, disease, or death and 18 the amount of the lien claimed by any physician, nurse, 19 physical therapist, occupational therapist, or hospital has 20 not been paid, the insurer or person is liable to the 21 physician, nurse, physical therapist, occupational 22 therapist, or hospital for the reasonable value of the 23 services."

Section 6. Section 71-3-1118, MCA, is amended to read:
"71-3-1118. Applicability. (1) Except as provided in

subsection (2), this part does not apply to compensation
 awarded to workers for injury, disease, or death pursuant to
 the Workers' Compensation Act or the Occupational Disease
 Act of Montana.

5 (2) This part applies to all payments awarded for 6 medical, therapy, and hospital services pursuant to the acts 7 referred to in subsection (1).

8 (3) This part does not apply to any benefits payable 9 under a policy of life insurance or group life insurance, a 10 contract of disability insurance, or an annuity contract or 11 to pension benefits payable under a qualified pension plan." -End-

50th Legislature

SB 0002/02

APPROVED BY COMMITTEE On Judiciary

1	SENATE BILL NO. 2
2	INTRODUCED BY HAGER
3	BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE ON LIEN LAWS
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING LIEN
6	RIGHTS FOR PHYSICAL THERAPISTS AND, OCCUPATIONAL THERAPISTS,
7	CHIROPRACTORS, AND PERSONS PRACTICING DENTISTRY; AMENDING
8	SECTIONS 71-3-1111, 71-3-1112, 71-3-1114, 71-3-1115,
9	71-3-1117, AND 71-3-1118, MCA."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	Section 1. Section 71-3-1111, MCA, is amended to read:
13	"71-3-1111. Short title. This part may be cited as the
14	"Physician, Nurse, Physical Therapist, Occupational
15	Therapist, CHIROPRACTOR, DENTIST, and Hospital Lien Act of
16	1979"."
17	Section 2. Section 71-3-1112, MCA, is amended to read:
18	"71-3-1112. Purpose. The purpose of this part is to
19	establish lien rights for physicians, nurses, physical
20	therapists, occupational therapists, CHIROPRACTORS, PERSONS
21	PRACTICING DENTISTRY, and hospitals when a person receiving
22	medical treatment:
23	(1) is injured through the fault or neglect of

24 another; or

25 (2) is either insured or a beneficiary under

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1	insurance."
2	Section 3. Section 71-3-1114, MCA, is amended to read:
3	"71-3-1114. Liens of physicians, nurses, physical
4	therapists, occupational therapists, CHIROPRACTORS, PERSONS
5	PRACTICING DENTISTRY, and hospitals. (1) Whenever a
6	physician, nurse, physical therapist, occupational
7	therapist, CHIROPRACTOR, PERSON PRACTICING DENTISTRY, or
8	hospital renders services to a person injured through the
9	fault or neglect of another, the physician, nurse, physical
10	therapist, occupational therapist, CHIROPRACTOR, PERSON
11	PRACTICING DENTISTRY, or hospital, upon giving the required
12	notice of lien, has a lien for the value of services
13	rendered on:
14	(a) any claim or cause of action the injured person,
15	his estate, or successors may have for injury, disease, or
16	death;
17	(b) any judgment the injured person, his estate, or
18	successors may obtain for injury, disease, or death; and
19	(c) all money paid in satisfaction of such judgment or
20	in settlement of the claim or cause of action.
21	(2) If a person is an insured or a beneficiary under
22	insurance which provides coverage in the event of injury or
23	disease, a physician, nurse, physical therapist,
24	occupational therapist, CHIROPRACTOR, PERSON PRACTICING
25	DENTISTRY, or hospital, upon giving the required notice of

-2- SECOND READING

SB 2

lien, has a lien for the value of services rendered on all
 proceeds or payments, except payments for property damage,
 payable by the insurer.

4 (3) The lien is subject to the lien of an attorney 5 provided in 37-61-420."

Section 4. Section 71-3-1115, MCA, is amended to read: 6 7 "71-3-1115. Notice of lien. (1) A physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, 8 PERSON PRACTICING DENTISTRY, or hospital claiming a lien 9 shall serve written notice upon the person and upon his 10 insurer, if any, against whom liability for injury, disease, 31 12 or death is asserted, stating the nature of the services, 13 for whom and when rendered, the value of the services, and that a lien is claimed. 14

(2) A physician, 15 nurse. physical therapist, occupational therapist, CHIROPRACTOR, PERSON PRACTICING 16 DENTISTRY, or hospital claiming a lien upon proceeds or 17 payments payable by an insurer shall serve written notice 18 upon the insurer against whom the lien is asserted, stating 19 the nature of the services, for whom and when rendered, the 20 21 value of the services, and that a lien is claimed."

Section 5. Section 71-3-1117, MCA, is amended to read:
"71-3-1117. Liability for failure to recognize lien.
If any insurer or person, after receiving notice of lien,
makes payment on account of injury, disease, or death and

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1 the amount of the lien claimed by any physician, nurse, 2 physical therapist, occupational therapist, CHIROPRACTOR, 3 PERSON PRACTICING DENTISTRY, or hospital has not been paid, the insurer or person is liable to the physician, nurse, 4 physical therapist, occupational therapist, CHIROPRACTOR, 5 6 PERSON PRACTICING DENTISTRY, or hospital for the reasonable 7 value of the services." 8 Section 6. Section 71-3-1118, MCA, is amended to read: 9 "71-3-1118. Applicability. (1) Except as provided in 10 subsection (2), this part does not apply to compensation 11 awarded to workers for injury, disease, or death pursuant to 12 the Workers' Compensation Act or the Occupational Disease 13 Act of Montana. 14 (2) This part applies to all payments awarded for 15 medical, therapy, CHIROPRACTIC, DENTISTRY, and hospital 16 services pursuant to the acts referred to in subsection (1). 17 (3) This part does not apply to any benefits payable 18 under a policy of life insurance or group life insurance, a 19 contract of disability insurance, or an annuity contract or

20 to pension benefits payable under a qualified pension plan." -End-

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SB 2

LC 0016/01

49th Legislature Special Session 3/86

APPROVED BY COMM. ON LOCAL GOVERNMENT

SENATE BILL NO. 2 1 2 INTRODUCED BY 3

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING POLITICAL
SUBDIVISIONS TO ISSUE BONDS OR NOTES, INDIVIDUALLY OR
JOINTLY, TO ESTABLISH SELF-INSURANCE RESERVE FUNDS; AMENDING
SECTIONS 2-9-211 AND 2-9-212, MCA; AND PROVIDING AN
IMMEDIATE EFFECTIVE DATE."

9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-9-211, MCA, is amended to read: "2-9-211. Political subdivision insurance. (1) All political subdivisions of the state may procure insurance separately or jointly with other subdivisions and may elect to use a deductible or self-insurance plan, wholly or in part.

17 (2) A political subdivision that elects to establish a
18 deductible plan may establish a deductible rearve
19 separately or jointly with other subdivisions.

(3) A political subdivision that elec i to establish a
self-insurance plan may accumulate a self-insurance reserve
fund, separately or jointly with other subdivisions,
sufficient to provide self-insurance for all liability
coverages that, in its discretion, the political subdivision
considers should be self-insured. Payments into the reserve

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fund must be made from local legislative appropriations for that purpose or from the proceeds of bonds or notes authorized by subsection (5). Proceeds of the fund may be used only to pay claims under parts 1 through 3 of this chapter and for actual and necessary expenses required for the efficient administration of the fund.

7 (4) Money in reserve funds established under this
8 section not needed to meet expected expenditures shall be
9 invested and all proceeds of the investment credited to the
10 fund.

11 (5) A political subdivision may issue and sell its 12 bonds or notes for purposes of funding a self-insurance or deductible reserve fund and costs incident thereto in an 13 amount not exceeding 3% of the taxable value of the 14 15 political subdivision as of the date of issuance. The bonds or notes must be authorized by resolution of the governing 16 17 body, are payable from the taxes authorized by 2-9-212, may 18 be sold at public or private sale, do not constitute debt 19 within the meaning of any statutory debt limitation, and may 20 contain such other terms and provisions as the governing 21 body determines. Two or more political subdivisions may 22 agree pursuant to an ince local agreement to exercise their 23 respective borrowing parts hereunder jointly and may authorize a joint bo d preated pursuant to such agreement 24 25 to exercise such powers on their behalf."

> 2- SECOND READING 5 B 2

LC 0016/01

1 Section 2. Section 2-9-212, MCA, is amended to read: "2-9-212. Political subdivision tax levy to pay 2 premiums. Notwithstanding any provisions of law to the 3 contrary, all political subdivisions may levy an annual 4 property tax in the amount necessary to fund the premium for S 6 insurance, deductible reserve fund, and self-insurance 7 reserve fund as herein authorized and to pay the principal and interest on bonds or notes issued pursuant to 8 9 2-9-211(5), even though as a result of such levy the maximum 10 levy as otherwise restricted by law is exceeded thereby, 11 provided that the revenues derived therefrom may not be used for any other purpose." 12

13 <u>NEW SECTION.</u> Section 3. Effective date. This act is
14 effective on passage and approval.

-End-

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49th Legislature Special Session 3/86

LC 0016/01

1 SENATE BILL NO. 2 2 INTRODUCED BY 3

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING POLITICAL
SUBDIVISIONS TO ISSUE BONDS OR NOTES, INDIVIDUALLY OR
JOINTLY, TO ESTABLISH SELF-INSURANCE RESERVE FUNDS; AMENDING
SECTION: 2-9-211 AND 2-9-212, MCA; AND PROVIDING AN
IMMEDIATE EFFECTIVE DATE."

9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-9-211, MCA, is amended to read: "2-9-211. Political subdivision insurance. (1) All political subdivisions of the state may procure insurance separately or jointly with other subdivisions and may elect to use a deductible or self-insurance plan, wholly or in part.

17 (2) A political subdivision that elects to establish a
18 deductible plan may establish a deductible reserve
19 separately or jointly with other subdivisions.

(3) A political subdivision that elects to establish a
self-insurance plan may accumulate a self-insurance reserve
fund, separately or jointly with other subdivisions,
sufficient to provide self-insurance for all liability
coverages that, in its discretion, the political subdivision
considers should be self-insured. Payments into the reserve



fund must be made from local legislative appropriations for 1 2 that purpose or from the proceeds of bonds or notes 3 authorized by subsection (5). Proceeds of the fund may be used only to pay claims under parts 1 through 3 of this 4 5 chapter and for actual and necessary expenses required for 6 the efficient administration of the fund. 7 (4) Money in reserve funds established under this section not needed to meet expected expenditures shall be 8 9 invested and all proceeds of the investment credited to the 10 fund. 11 (5) A political subdivision may issue and sell its 12 bonds or notes for purposes of funding a self-insurance or 13 deductible reserve fund and costs incident thereto in an amount not exceeding 3% of the taxable value of the 14 15 political subdivision as of the date of issuance. The bonds 16 or notes must be authorized by resolution of the governing 17 body, are payable from the taxes authorized by 2-9-212, may 18 be sold at public or private sale, do not constitute debt within the meaning of any statutory debt limitation, and may 19 contain such other terms and provisions as the governing 20 21 body determines. Two or more political subdivisions may 22 agree pursuant to an interlocal agreement to exercise their 23 respective borrowing powers hereunder jointly and may 24 authorize a joint board created pursuant to such agreement

25 to exercise such powers on their behalf."

-2-THIRD READING

SBZ

LC 0016/01

Section 2. Section 2-9-212, MCA, is amended to read: 1 "2-9-212. Political subdivision tax levy to pay 2 premiums. Notwithstanding any provisions of law to the 3 contrary, all political subdivisions may levy an annual 4 property tax in the amount necessary to fund the premium for 5 insurance, deductible reserve fund, and self-insurance 6 reserve fund as herein authorized and to pay the principal 7 and interest on bonds or notes issued pursuant to 8 9 2-9-211(5), even though as a result of such levy the maximum levy as otherwise restricted by law is exceeded thereby, 10 provided that the revenues derived therefrom may not be used 11 for any other purpose." 12 NEW SECTION. Section 3. Effective date. This act is 13

14 effective on passage and approval.

-End-

SENATE BILL NO. 2 1 INTRODUCED BY HAGER 2 BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE ON LIEN LAWS з 4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING LIEN 5 RIGHTS FOR PHYSICAL THERAPISTS AND, OCCUPATIONAL THERAPISTS, б 7 CHIROPRACTORS, AND PERSONS PRACTICING DENTISTRY; AMENDING SECTIONS 71-3-1111, 71-3-1112, 71-3-1114, 71-3-1115, 8 9 71-3-1117, AND 71-3-1118, MCA." 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 11 Section 1. Section 71-3-1111, MCA, is amended to read: 12 "71-3-1111. Short title. This part may be cited as the 13 "Physician, Physical Therapist, Occupational 14 Nurse, Therapist, CHIROPRACTOR, DENTIST, and Hospital Lien Act of 15 16 1979"." Section 2. Section 71-3-1112, MCA, is amended to read: 17 18 "71-3-1112. Purpose. The purpose of this part is to 19 establish lien rights for physicians, nurses, physical 20 therapists, occupational therapists, CHIROPRACTORS, PERSONS 21 PRACTICING DENTISTRY, and hospitals when a person receiving 22 medical treatment: (1) is injured through the fault or neglect of 23

24 another; or

25 (2) is either insured or a beneficiary under



insurance."

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2 Section 3. Section 71-3-1114, MCA, is amended to read: 3 "71-3-1114. Liens of physicians, nurses, physical therapists, occupational therapists, CHIROPRACTORS, PERSONS 4 5 PRACTICING DENTISTRY, and hospitals. (1) Whenever a 6 physician, nurse, physical therapist, occupational 7 therapist, CHIROPRACTOR, PERSON PRACTICING DENTISTRY, or hospital renders services to a person injured through the 8 9 fault or neglect of another, the physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, PERSON 10 PRACTICING DENTISTRY, or hospital, upon giving the required 11 12 notice of lien, has a lien for the value of services rendered on: 13 (a) any claim or cause of action the injured person, 14 15 his estate, or successors may have for injury, disease, or 16 death; (b) any judgment the injured person, his estate, or 17 18 successors may obtain for injury, disease, or death; and 19 (c) all money paid in satisfaction of such judgment or 20 in settlement of the claim or cause of action. 21 (2) If a person is an insured or a beneficiary under 22 insurance which provides coverage in the event of injury or 23 disease, a physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, PERSON PRACTICING 24

25 DENTISTRY, or hospital, upon giving the required notice of

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lien, has a lien for the value of services rendered on all
 proceeds or payments, except payments for property damage,
 payable by the insurer.

4 (3) The lien is subject to the lien of an attorney 5 provided in 37-61-420."

Section 4. Section 71-3-1115, MCA, is amended to read: 6 7 "71-3-1115. Notice of lien. (1) A physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, 8 PERSON PRACTICING DENTISTRY, or hospital claiming a lien 9 10 shall serve written notice upon the person and upon his insurer, if any, against whom liability for injury, disease, 11 12 or death is asserted, stating the nature of the services, 13 for whom and when rendered, the value of the services, and 14 that a lien is claimed.

15 (2) A physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, PERSON PRACTICING 16 DENTISTRY, or hospital claiming a lien upon proceeds or 17 payments payable by an insurer shall serve written notice 18 upon the insurer against whom the lien is asserted, stating 19 the nature of the services, for whom and when rendered, the 20 21 value of the services, and that a lien is claimed."

Section 5. Section 71-3-1117, MCA, is amended to read:
"71-3-1117. Liability for failure to recognize lien.
If any insurer or person, after receiving notice of lien,
makes payment on account of injury, disease, or death and

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1 the amount of the lien claimed by any physician, nurse, 2 physical therapist, occupational therapist, CHIROPRACTOR, 3 PERSON PRACTICING DENTISTRY, or hospital has not been paid, 4 the insurer or person is liable to the physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, 5 б PERSON PRACTICING DENTISTRY, or hospital for the reasonable 7 value of the services." 8 Section 6. Section 71-3-1118, MCA, is amended to read: 9 "71-3-1118. Applicability. (1) Except as provided in 10 subsection (2), this part does not apply to compensation awarded to workers for injury, disease, or death pursuant to 11 12 the Workers' Compensation Act or the Occupational Disease 13 Act of Montana. 14 (2) This part applies to all payments awarded for 15 medical, therapy, CHIROPRACTIC, DENTISTRY, and hospital 16 services pursuant to the acts referred to in subsection (1). 17 (3) This part does not apply to any benefits payable 18 under a policy of life insurance or group life insurance, a 19 contract of disability insurance, or an annuity contract or to pension benefits payable under a qualified pension plan." 20 -End-

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SB 2

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SB 0002/02

1 SENATE BILL NO. 2 2 INTRODUCED BY CRIPPEN. FULLER 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING POLITICAL 5 SUBDIVISIONS TO ISSUE BONDS OR NOTES, INDIVIDUALLY OR б JOINTLY, TO ESTABLISH SEL: -INSURANCE RESERVE FUNDS; AMENDING 7 SECTIONS 2-9-211 AND 2-9-212, MCA; AND PROVIDING AN я IMMEDIATE EFFECTIVE DATE." 9 10 fund. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA; 11 Section 1. Section 2-9-211, MCA, is amended to read: 12 "2-9-211. Political subdivision insurance. (1) All 13 political subdivisions of the state may procure insurance 14 separately or jointly with other subdivisions and may elect 15 to use a deductible or self-insurance plan, wholly or in 16 part. 17 (2) A political subdivision that elects to establish a 18 deductible plan may establish a deductible reserve · 19 separately or jointly with other subdivisions. 20 (3) A political subdivision that elects to establish a 21 self-insurance plan may accumulate a self-insurance reserve 22 fund, separately or jointly with other. subdivisions, 23 sufficient to provide self-insurance for all liability 24 coverages that, in its discretion, the political subdivision 25 considers should be self-insured. Payments into the reserve

16 or notes must be authorized by resolution of the governing

17 body, are payable from the taxes authorized by 2-9-212, may

18 be sold at public or private sale, do not constitute debt

19 within the meaning of any statutory debt limitation, and may

20 contain such other terms and provisions as the governing

21 body determines. Two or more political subdivisions may

22 agree pursuant to an interlocal agreement to exercise their

23 respective borrowing powers hereunder jointly and may

24 authorize a joint board created pursuant to such agreement

25 to exercise such powers on their behalf."

REFERENCE BILL

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1 Section 2. Section 2-9-212, NCA, is amended to read: 2 *2-9-212. Political subdivision tax levy to pay premiums. Notwithstanding any provisions of law to the 3 contrary, all political subdivisions may levy an annual 4 5 property tax in the amount necessary to fund the premium for insurance, deductible reserve fund, and self-insurance 6 reserve fund as herein authorized and to pay the principal 7 and interest on bonds or notes issued pursuant to 8 2-9-211(5), even though as a result of such levy the maximum 9 levy as otherwise restricted by law is exceeded thereby, 10 11 provided that the revenues derived therefrom may not be used for any other purpose." 12

13 <u>MEN SECTION.</u> Section 3. Effective date. This act is
 14 effective on passage and approval.

-End-

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: Section 1. Section 71-3-1111, MCA, is amended to read: "71-3-1111. Short title. This part may be cited as the "Physician, Nurse, <u>Physical Therapist, Occupational</u> <u>Therapist, CHIROPRACTOR, DENTIST, and Hospital Lien Act of</u> 16 1979"."

Section 2. Section 71-3-1112, MCA, is amended to read:
 "71-3-1112. Purpose. The purpose of this part is to
 establish lien rights for physicians, nurses, physical
 therapists, occupational therapists, CHIROPRACTORS, PERSONS
 PRACTICING DENTISTRY, and hospitals when a person receiving
 medical treatment:

23 (1) is injured through the fault or neglect of 24 another; or

25 (2) is either insured or a beneficiary under

Montana Legislative Council

insurance." Section 3. Section 71-3-1114, MCA, is amended to read: "71-3-1114. Liens of physicians, nurses, physical therapists, occupational therapists, CHIROPRACTORS, PERSONS PRACTICING DENTISTRY. and hospitals. (1) Whenever a physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, PERSON PRACTICING DENTISTRY, or hospital renders services to a person injured through the fault or neglect of another, the physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, PERSON PRACTICING DENTISTRY, or hospital, upon giving the required

12 notice of lien, has a lien for the value of services 13 rendered on:

(a) any claim or cause of action the injured person,
his estate, or successors may have for injury, disease, or
death;

17 (b) any judgment the injured person, his estate, or18 successors may obtain for injury, disease, or death; and

19 (c) all money paid in satisfaction of such judgment or20 in settlement of the claim or cause of action.

(2) If a person is an insured or a beneficiary under
 insurance which provides coverage in the event of injury or
 disease, a physician, nurse, <u>physical therapist</u>,
 <u>occupational therapist</u>, <u>CHIROPRACTOR</u>, <u>PERSON PRACTICING</u>
 DENTISTRY, or hospital, upon giving the required notice of

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REFERENCE BILL

SB 2

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SB 2

lien, has a lien for the value of services rendered on all
 proceeds or payments, except payments for property damage,
 payable by the insurer.

4 (3) The lien is subject to the lien of an attorney 5 provided in 37-61-420."

Section 4. Section 71-3-1115, MCA, is amended to read: 6 7 "71-3-1115. Notice of lien. (1) A physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, 8 9 PERSON PRACTICING DENTISTRY, or hospital claiming a lien 10 shall serve written notice upon the person and upon his 11 insurer, if any, against whom liability for injury, disease, 12 or death is asserted, stating the nature of the services, 13 for whom and when rendered, the value of the services, and that a lien is claimed. 14

15 (2) A physician, nurse, physical therapist, occupational therapist, CHIROPRACTOR, PERSON PRACTICING 16 DENTISTRY, or hospital claiming a lien upon proceeds or 17 payments payable by an insurer shall serve written notice 18 19 upon the insurer against whom the lien is asserted, stating the nature of the services, for whom and when rendered, the 20 21 value of the services, and that a lien is claimed."

Section 5. Section 71-3-1117, MCA, is amended to read:
"71-3-1117. Liability for failure to recognize lien.
If any insurer or person, after receiving notice of lien,
makes payment on account of injury, disease, or death and

the amount of the lien claimed by any physician, nurse, 1 physical therapist, occupational therapist, CHIROPRACTOR, 2 PERSON PRACTICING DENTISTRY, or hospital has not been paid, 3 the insurer or person is liable to the physician, nurse, 4 physical therapist, occupational therapist, CHIROPRACTOR, 5 PERSON PRACTICING DENTISTRY, or hospital for the reasonable б value of the services." 7 Section 6. Section 71-3-1118, MCA, is amended to read: 8 "71-3-1118. Applicability. (1) Except as provided in 9

10 subsection (2), this part does not apply to compensation 11 awarded to workers for injury, disease, or death pursuant to 12 the Workers' Compensation Act or the Occupational Disease 13 Act of Montana. 14 (2) This part applies to all payments awarded for 15 medical, therapy, CHIROPRACTIC, DENTISTRY, and hospital

16 services pursuant to the acts referred to in subsection (1).
17 (3) This part does not apply to any benefits payable
18 under a policy of life insurance or group life insurance, a
19 contract of disability insurance, or an annuity contract or
20 to pension benefits payable under a qualified pension plan."

-End-

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