

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND NINETEEN

H.P. 822 - L.D. 1133

An Act To Require That Hospital Liens Be Satisfied on a Just and Equitable Basis

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 10 MRSA §3412-A is enacted to read:

§3412-A. Limits on priority of hospital liens

1. Lien reduction; just and equitable basis. A hospital lien must be reduced by the patient's proportionate share of the patient's litigation or other recovery costs, including, but not limited to, reasonable attorney's fees. A hospital lien must be satisfied not on the basis of a priority lien but on a just and equitable basis, which means that any factors that diminish the potential value of the patient's claim against which the lien is asserted must likewise reduce the share in the claim by the hospital for reimbursement for services provided. Such factors include, but are not limited to:

A. Questions of liability and comparative negligence or other legal defenses;

B. Exigencies of trial that reduce a settlement or award in order to resolve the claim; and

C. Limits on the amount of applicable insurance coverage that reduce the claim to an amount recoverable by the insured.

2. Dispute resolution. In the event of a dispute as to the application of this section or the amount available for payment to those claiming payment for services or reimbursement, that dispute must be determined, if the action is pending, before the court in which it is pending; or if no action is pending, by filing an action in any court for determination of the dispute.