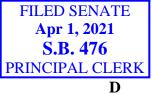
GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2021



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## SENATE BILL DRS45242-LR-120A

Short Title:	Protecting Properly Insured Individuals.	(Public)
Sponsors:	Senators Britt, Perry, and Galey (Primary Sponsors).	
Referred to:		

1	A BILL TO BE ENTITLED					
2	AN ACT AMENDING RULE 414 OF THE NORTH CAROLINA RULES OF EVIDENCE					
3	AND RELATED STATUTES REGARDING THE VALIDITY OF CERTAIN LIENS FOR					
4	MEDICAL CHARGES IN CIVIL ACTIONS.					
5	The General Assembly of North Carolina enacts:					
6	<b>SECTION 1.</b> Evidence. – G.S. 8-58.1 reads as rewritten:					
7	"§ 8-58.1. Injured party as witness when medical charges at issue.					
8	(a) Whenever an issue of hospital, medical, dental, pharmaceutical, or funeral charges					
9	arises in any civil proceeding, the injured party or his the injured party's guardian, administrator,					
10	or executor is competent to give evidence regarding the amount paid or required to be paid in full					
11						
12	paid or required to be paid in full satisfaction of such charges accompany such testimony.					
13	(b) The testimony of a person pursuant to subsection (a) of this section establishes a					
14	rebuttable presumption of the reasonableness of the amount paid or required to be paid in full					
15	satisfaction of the charges. However, in the event that the provider of hospital, medical, dental,					
16	pharmaceutical, or funeral services gives sworn testimony that the charge for that provider's					
17	service either was satisfied by payment of an amount less than the amount charged, or can be					
18	satisfied by payment of an amount less than the amount charged, then with respect to that					
19	provider's charge only, the presumption of the reasonableness of the amount charged is rebutted					
20	and a rebuttable presumption is established that the lesser satisfaction amount is the reasonable					
21	amount of the charges for the testifying provider's services. If the injured party has health					
22	insurance that will, if filed by a particular provider, result in a reduction in the charge due to a					
23	contractual adjustment being taken by the provider, and such insurance is filed and no lien as set					
24	forth in G.S. 44-49 or G.S. 44-50 has been asserted, then the evidence as to the amount of the bill					
25	shall be the amount paid by all sources and all amounts remaining to be paid. If a lien under					
26	G.S. 44-49 or G.S. 44-50 has been asserted, and the injured party has no health insurance or no					
27	insurance has been filed, then the evidence as to the amount of the charge that may be introduced					
28	in an action tried in the courts of North Carolina is the amount of the claimed lien. If the injured					
29	party is covered by Medicare or Medicaid, and such benefit provider chooses to pay the claim,					
30	the evidence of the amount of the charge shall be the amount actually paid by the benefit provider					
31	and, if any, the amount paid by or on behalf of the injured party from any source and any amount					
32	left unpaid. Nothing contained herein shall change, modify, or alter the provisions of NCGS §					
33	44-50. For the purposes of this subsection, the word "provider" shall include the agent or					
34	employee of a provider of hospital, medical, dental, pharmaceutical, or funeral services, or a					
35	person with responsibility to pay a provider of hospital, medical, dental, pharmaceutical, or					
36	funeral services on behalf of an injured party.					



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1 2 3	(c) The fact that a provider charged for services provided to the injured person establishes a permissive presumption that the services provided were reasonably necessary but no presumption is established that the services provided were necessary because of injuries caused							
4	by the acts or omissions of an alleged tortfeasor."							
5	SECT	TION	<b>2.</b> Liens. $-G.S.$ 44-49(b) reads as rewritten:					
6	"(b) Notwi	ithstan	ding subsection (a) of this section, no lien provid	led for under subsection				
7	(a) of this section	n is v	alid with respect to any claims whatsoever un	less-under either of the				
8	following circumstances:							
9 10 11 12	<u>(1)</u>	to the tot	e physician, dentist, nurse, hospital, corporation, e lien furnishes, does not furnish, without chan ition precedent to the creation of the lien, upon esenting the person in whose behalf the claim for	rge to the attorney as a request to the attorney				
12		-	emized statement, hospital record, or medical r	· · · ·				
13			· · ·	1				
14 15			ney in the negotiation, settlement, or trial of the	•••				
			e personal injury, and a written notice to the attor					
6	<u>(2)</u>		physician, dentist, nurse, hospital, corporation					
17		1	ider does not timely submit a claim to an injured	<b>·</b>				
.8		-	h plan, including, but not limited to, an employer	-				
9			ny other applicable health insurance plan, w					
20			irements of the health insurer, health plan, or hea					
21			<b>3.</b> Insurance. – G.S. 58-63-15 reads as rewritten:					
22			methods of competition and unfair or decep	ptive acts or practices				
23	defin							
24			ereby defined as unfair methods of competition a	and unfair and deceptive				
25	acts or practices	n the	ousiness of insurance:					
26	•••							
7	(11)		ir Claim Settlement Practices Committing o					
8		-	nency as to indicate a general business practice					
.9			ided, however, that no violation of this subsect					
0		any	cause of action in favor of any person other than	the Commissioner:				
1		•••						
2		l.	Delaying the investigation or payment of	claims by requiring an				
3			insured claimant, or the physician, of or either	, to submit a preliminary				
			claim report and then requiring the subsequent	nt submission of formal				
			proof-of-loss forms, both of which submission	ons contain substantially				
			the same information;					
		m.	Failing to promptly settle claims where	liability has become				
			reasonably clear, under one portion of the ins	-				
			in order to influence settlements under other p					
			policy <del>coverage; and</del> coverage;					
		n.	Failing to promptly provide a reasonable exp	planation of the basis in				
			the insurance policy in relation to the facts or a					
			of a claim or for the offer of a compromise <del>se</del>					
		0	Attempting to calculate the amount of a health					
		<u>0.</u>	any method other than that set forth in G.S. 8-					
		n	Attempting to calculate the amount of a medic					
		<u>p.</u>						
			purpose other than an action tried in the courts					
			the exception of arbitrations or other matter					
			Evidence do not apply, by any method othe	<u>r man mai set forth in</u>				
)	"		<u>G.S. 8-58.1.</u>					
l	"							

SECTION 4. Effective Date. – This act is effective when it becomes law and applies
to civil actions pending on or after that date.