

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 586

FINAL READING

Introduced by Cornett, 45.

Read first time January 17, 2007

Committee: Judiciary

A BILL

1 FOR AN ACT relating to liens; to amend section 52-401, Reissue
2 Revised Statutes of Nebraska; to change medical lien
3 provisions; to repeal the original section; and to
4 declare an emergency.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 52-401, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 52-401 Whenever any person employs a physician, nurse,
4 chiropractor, or hospital to perform professional service or
5 services of any nature, in the treatment of or in connection
6 with an injury, and such injured person claims damages from the
7 party causing the injury, such physician, nurse, chiropractor,
8 or hospital, as the case may be, shall have a lien upon
9 any sum awarded the injured person in judgment or obtained
10 by settlement or compromise on the amount due for the usual
11 and customary charges of such physician, nurse, chiropractor,
12 or hospital applicable at the times services are performed,
13 except that no such lien shall be valid against anyone coming
14 under the Nebraska Workers' Compensation Act. For persons covered
15 under private medical insurance or another private health benefit
16 plan, the amount of the lien shall be reduced by the contracted
17 discount or other limitation which would have been applied had the
18 claim been submitted for reimbursement to the medical insurer or
19 administrator of such other health benefit plan. The measure of
20 damages for medical expenses in personal injury claims shall be the
21 private party rate, not the discounted amount.

22 In order to prosecute such lien, it shall be necessary
23 for such physician, nurse, chiropractor, or hospital to serve a
24 written notice upon the person or corporation from whom damages
25 are claimed that such physician, nurse, chiropractor, or hospital

1 claims a lien for such services and stating the amount due and the
2 nature of such services, except that whenever an action is pending
3 in court for the recovery of such damages, it shall be sufficient
4 to file the notice of such lien in the pending action.

5 A physician, nurse, chiropractor, or hospital claiming
6 a lien under this section shall not be liable for attorney's
7 fees and costs incurred by the injured person in securing the
8 judgment, settlement, or compromise, but the lien of the injured
9 person's attorney shall have precedence over the lien created by
10 this section.

11 Upon a written request and with the injured person's
12 consent, a lienholder shall provide medical records, answers
13 to interrogatories, depositions, or any expert medical testimony
14 related to the recovery of damages within its custody and control
15 at a reasonable charge to the injured person.

16 Sec. 2. Original section 52-401, Reissue Revised Statutes
17 of Nebraska, is repealed.

18 Sec. 3. Since an emergency exists, this act takes effect
19 when passed and approved according to law.