



Americans for Patient Access

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MEMORANDUM OF OPPOSITION – HB 7080 (Finkelman)

Americans For Patient Access (“APA”)¹ appreciates the opportunity to provide written opposition to HB 7080 (Finkelman), *An Act Relating to Commercial Law – Third Party Litigation Financing Consumer Protection Act*. Americans For Patient Access is opposed to the bill as written. Adoption of HB 7080 as written will result in physicians, who under this bill are litigation funders, closing their doors to personal injury victims in need of treatment. HB 7080 will create a crisis in patient access to quality medical care for Rhode Islanders who have been injured through no fault of their own because physicians will no longer be willing to treat them.

HB 7080 defines “litigation financing” to include the “funding of litigation activities or related claims by anyone other than the parties to the claim or litigation themselves, their counsel, or entities with a pre-existing contractual indemnitor or a liability insurer relationship with one of the parties. Litigation financing includes the purchase of bills, accounts, or liens, or otherwise paying for purchasing services rendered to claims or litigation.” Under HB 7080, a “litigation financing transaction” means a transaction in which litigation financing is provided to a consumer, legal representative, or medical provider in return for assigning to the litigation financier a contingent right to receive an amount or amounts of the potential proceeds” from any settlement award or judgment.

Medical providers who treat uninsured and underinsured victims of personal injury often lien a patient’s underlying legal claim and await

¹ Americans for Patient Access is a nonprofit trade organization committed to ensuring immediate access to necessary and quality healthcare for uninsured and under-insured patients who have been injured through no fault of their own, and to aid medical providers in offering their services to as many patients as possible, regardless of their ability to pay. As an organization, the APA supports innovative medical lien solution programs, that provide uninsured and underinsured patients access to healthcare each year – at no cost to the state.

the conclusion of the case to recover payment for the care they provided. Likewise, medical providers may sell their personal injury receivables and assign their lien to a third party in exchange for prompt, guaranteed payment to continue to provide lien-based care to personal injury patients. In exchange for the patient receiving treatment, those medical providers and their assignees obtain a contingent right to receive an amount of potential proceeds from the patient's settlement award or judgment.

Under HB 7080, medical providers that treat personal injury patients on a lien are now litigation funders, conducting litigation financing transactions, and will be subject to onerous registration, disclosure, and reporting requirements included in this bill. **The consequence of HB 7080 –intended or not is undeniable - medical providers will no longer accept uninsured and underinsured personal injury patients. These patients will be denied or delayed access to medical treatment and rehabilitative services and will be forced to go to hospitals where services are significantly costlier.**

Uninsured and underinsured personal injury patients receiving lien-based medical care is not litigation funding nor a litigation finance transaction. This bill should not include the physicians who treat these patients and the companies that help keep their doors open to victims.

Americans For Patient Access respectfully requests the following language be stricken from HB 7080: lines 5-6 and 17-20 on page two of HB 7080.

If you have any questions regarding this issue or APA's position, please contact Peter Baptista at (401) 829-8100 / peter@capcomgrp.com or Nick Hemond at (401) 316-3895 / nhemond@capcomgrp.com.