

SB0220



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB0220

Introduced 2/2/2005, by Sen. John J. Cullerton

SYNOPSIS AS INTRODUCED:

215 ILCS 5/368f new

Amends the Illinois Insurance Code. Requires diminishment of subrogation claims to the extent that the claimant's recovery is reduced by comparative fault or uncollectibility of the full value of the claim.

LRB094 03454 LJB 33457 b

A BILL FOR

1 AN ACT concerning insurance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by adding
5 Section 368f as follows:

6 (215 ILCS 5/368f new)

7 Sec. 368f. Reduction of subrogation claims.

8 (a) If a subrogation claim or other lien or claim that
9 arose out of the payment of medical expenses or other benefits
10 exists in respect to a claim for personal injuries and the
11 claimant's recovery is diminished (i) by comparative fault or
12 (ii) by reason of the uncollectibility of the full value of the
13 claim for personal injuries resulting from limited liability
14 insurance or from any other cause, the lien or claim shall be
15 diminished in the same proportion as the claimant's recovery is
16 diminished. The party holding the lien or claim shall bear a
17 pro rata share of the claimant's attorney's fees and expenses.

18 (b) The trial court judge shall conduct a hearing to
19 determine the full value of the claim for personal injuries and
20 calculate the proportional reduction of the subrogation claim
21 or other claim arising out of payment of medical expenses or
22 other benefits.

23 (c) Nothing contained in this Section affects the recovery
24 for liens as provided for by subsection (b) of Section 5 of the
25 Workers' Compensation Act, Section 1 of the Attorneys Lien Act,
26 Section 10 of the Health Care Services Lien Act, and Sections
27 11-22, 11-22a, and 11-22b of the Illinois Public Aid Code.