

2024 Regular Session

HOUSE BILL NO. 597

BY REPRESENTATIVE HENRY

CIVIL/PROCEDURE: Provides relative to the payment of certain expenses in personal injury claims

1 AN ACT

2 To enact R.S. 13:4212, relative to civil damages; to provide for the payment of certain  
3 expenses in a personal injury claim; to provide for the payment of medical expenses;  
4 to require a claimant to present invoices for outstanding medical and related  
5 expenses; to provide for the payment of future medical and related expenses; to  
6 require the use of a reversionary trust in certain circumstances; and to provide for  
7 related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 13:4212 is hereby enacted to read as follows:

10 §4212. Reversionary trust

11 A. If a party is held liable for damages for personal injury and the court  
12 determines that the claimant is in need of future medical and related benefits in the  
13 amount of at least fifty thousand dollars, the court shall order that the amount due for  
14 future medical care and related benefits be paid through a reversionary medical trust.

15 B. The trust shall be established by the liable party and administered for the  
16 benefit of claimants entitled to medical care and related benefits that may be incurred  
17 subsequent to judgment. Amounts due for medical care and related benefits shall be  
18 paid from the reversionary medical trust directly to the provider as they are incurred.  
19 In submitting requests for payment, the claimant shall submit the original invoices.

20 C. The trustee shall review all invoices received for future medical care and  
21 related benefits, prepare vouchers or warrants, and evaluate and settle claims related

1 to the payment of future medical care and related benefits. The trustee shall have the  
2 same fiduciary duties as imposed upon a trustee by the Louisiana Trust Code.

3 D. Upon the death of the claimant or upon the termination of the trust as  
4 provided in the trust instrument, any funds remaining in the reversionary trust shall  
5 revert to the party that established the trust.

6 E. No provision of this Section shall limit the rights of claimants to contract  
7 with respect to attorney fees and costs.

8 F. "Reversionary medical trust" means a trust established for the exclusive  
9 benefit of the claimant to pay the medical care and related benefits as they accrue,  
10 including without limitation reasonable and necessary amounts for all diagnosis,  
11 cure, mitigation, or treatment of any disease or condition from which the injured  
12 person suffers as a result of the injuries, and the sequelae thereof, sustained by the  
13 claimant on the date the injury was sustained.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 597 Original

2024 Regular Session

Henry

**Abstract:** Establishes a reversionary trust.

Proposed law requires the use of a reversionary medical trust for the payment of future medical and related expenses in the amount of \$50,000 or greater. Proposed law defines "reversionary medical trust".

Proposed law requires that the liable party establish the trust and the claimant shall submit original invoices, which the trustee shall review for payment. The trustee shall also prepare vouchers or warrants and evaluate and settle claims related to the payment of future medical care and related benefits. The trustee shall have the same fiduciary duties as imposed upon a trustee by the La. Trust Code.

Proposed law provides that upon the death of the claimant or upon the termination of the trust as provided in the trust instrument, any funds remaining in the reversionary trust shall revert to the party that established the trust.

Proposed law does not limit a claimant's ability to contract with respect to attorney fees and costs.

(Adds R.S. 13:4212)