

2026 Regular Session

HOUSE BILL NO. 1089

BY REPRESENTATIVES BAMBURG, BERAULT, BOYER, CARLSON, CARVER,
CHENEVERT, DICKERSON, DOMANGUE, HEBERT, CHANCE HENRY, AND
WYBLE

CIVIL/DAMAGES: Creates CARE Accounts for certain damages arising from delictual
actions

1 AN ACT

2 To enact Chapter 25 of Title 6 of the Louisiana Revised Statutes of 1950, to be comprised
3 of R.S. 6:1431 through 1433, relative to CARE Accounts; to provide for the
4 establishment of CARE Accounts; to define certain terms; to provide for qualifying
5 medical expenses; to provide for the deposit of certain funds; to provide for the
6 disbursement of certain funds; to provide for applicability; and to provide for related
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Chapter 25 of Title 6 of the Louisiana Revised Statutes of 1950,
10 comprised of R.S. 6:1431 through 1433, is hereby enacted to read as follows:

11 CHAPTER 25. CARE ACCOUNTS

12 §1431. Short title

13 This Chapter shall be known and may be cited as the "CARE Account Act".

14 §1432. Definitions

15 For the purpose of this Chapter, the following definitions apply:

16 (1) "CARE Account" or "Compensation Allocated for Reimbursable
17 Expenses Account" means a money market account for which the court has ordered
18 the deposit of funds from a special damages award allocated for the purpose of future
19 medical payments in a delictual action.

1 (2) "Qualifying medical expenses" mean any product or service contained
2 in the most recently published list of Current Procedural Terminology and
3 Healthcare Common Procedure Coding System codes maintained by the Centers for
4 Medicare and Medicaid Services and any necessary travel expenses related to the
5 procurement of any such product or services.

6 §1433. Account deposits; disbursements; establishment and maintenance

7 A. In any delictual action for which the court awards special damages for
8 future medical expenses, the court shall order that the portion of the award allocated
9 for future medical expenses be placed into a CARE Account unless otherwise agreed
10 to by the parties and approved by the court.

11 B. A CARE Account shall be established in the name of and owned by the
12 judgment debtor for the use and benefit of the judgment creditor for the term of the
13 judgment creditor's life.

14 C. A CARE Account shall be established and maintained at a financial
15 institution as a money market deposit account.

16 D.(1) Funds deposited in a CARE Account shall only be used for the
17 purchase of qualifying medical expenses. However, the financial institution in which
18 the CARE Account is established has no duty to ensure transactions in the account
19 are made for qualifying medical expenses nor is the financial institution subject to
20 liability for transactions involving the account for the purchase of items and services
21 that are not qualifying medical expenses.

22 (2) The judgment debtor may contract with a third-party administrator for
23 services related to ensuring transactions involving a CARE Account are made only
24 for qualifying medical expenses. However, the third-party administrator is not
25 subject to liability if the judgment creditor effectuates a transaction for items or
26 services that are not qualifying medical expenses using funds in a CARE Account.

27 (3) Prior to depositing funds into a CARE Account, the judgment debtor shall
28 require the judgment creditor to execute an affidavit attesting to his knowledge and

1 understanding that the funds in the account shall only be used for the purchase of
2 qualifying medical expenses.

3 E. If a judgment creditor attempts to use funds from a CARE Account to
4 purchase a qualifying medical expense and the transaction is declined, the judgment
5 creditor may utilize either of the following methods to effectuate the transaction:

6 (1) The judgment creditor may pay for the qualifying medical expense with
7 other funds and present an itemized receipt of the transaction to the financial
8 institution maintaining the CARE Account who shall provide a reimbursement for
9 the transaction to the judgment creditor utilizing funds from the CARE Account.

10 (2) The judgment creditor may present an itemized invoice for the qualifying
11 medical expenses to the financial institution maintaining the CARE Account who
12 shall provide an alternative means of paying for the qualifying medical expenses
13 utilizing funds from the CARE Account.

14 F. Upon the death of the judgment creditor, any funds remaining in the
15 CARE Account shall revert to the judgment debtor.

16 Section 2. The provisions of this Act shall have prospective application only and
17 shall not apply to causes of action filed prior to the effective date of this Act.

18 Section 3. The provisions of this Act shall become effective on January 1, 2027.

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)]

HB 1089 Engrossed

2026 Regular Session

Bamburg

Abstract: Establishes CARE Accounts for the payment of an award for future medical payments resulting from a delictual action.

Proposed law provides a short title and defines "CARE Account" or "Compensation Allocated for Reimbursable Expenses Account" as a money market account for which the court has ordered the deposit of funds from a special damages award allocated for the purpose of future medical payments in a delictual action.

Proposed law defines "qualifying medical expenses" as any product or service contained in the most recently published list of Current Procedural Terminology and Healthcare Common Procedure Coding System codes maintained by the Centers for Medicare and Medicaid Services and any necessary travel expenses related to the procurement of any such product or service.

Proposed law provides that a third-party administrator is not subject to liability under certain circumstances.

Proposed law provides for the following:

- (1) A CARE Account is for the use and benefit of the judgment creditor for the term of the judgment creditor's life, and upon the death of the judgment creditor, any funds remaining in the CARE Account reverts to the judgment debtor.
- (2) A CARE Account is established by the judgment creditor and maintained at a financial institution as a money market deposit account.
- (3) Funds in a CARE Account are only to be used for the purchase of qualifying medical expenses.
- (4) Methods for a judgment creditor to use for reimbursement of a qualifying medical expense if the transaction on a CARE Account is declined.
- (5) Prior to depositing funds into the account, proposed law requires the judgment debtor to have the judgment creditor execute an affidavit attesting to his knowledge and understanding that the funds in the CARE Account are to be used only for the purchase of qualifying medical expenses.

Proposed law provides for prospective application.

Effective on Jan. 1, 2027.

(Adds R.S. 6:1431-1433)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Civil Law and Procedure to the original bill:

1. Expand the definition of "qualifying medical expenses" to include necessary travel expenses.
2. Provide that a third-party administrator of the CARE Account is not liable under certain circumstances.
3. Require an affidavit by the judgment creditor prior to the depositing of funds into the CARE Account.