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## DIGEST

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HB 1089 Engrossed

2026 Regular Session

Bamberg

**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.