

---

## 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 Reengrossed

2026 Regular Session

Bamburg

**Abstract:** Establishes CARE Accounts for the payment of an award for future medical payments resulting from certain delictual actions.

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 amounts paid for medical care as defined by federal present law (26 U.S.C. 213) that are related to the injury or condition that is the subject of the judgment.

Proposed law defines "payor" as an insurer obligated by its policy to make payment on a claim for which the court has ordered payment of future medical expenses to be deposited into the CARE Account.

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 plaintiff for the term of the plaintiff's life, and upon the death of the plaintiff, any funds remaining in the CARE Account revert to the payor.
- (2) A CARE Account is established by the payor and maintained at a financial institution as a money market deposit account.
- (3) Funds in a CARE Account are to be used only for the purchase of qualifying medical expenses.
- (4) Methods for a plaintiff 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 payor to have the plaintiff 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.

- (6) The closing of a CARE Account 180 days after notice of the death of the plaintiff.
- (7) Exceptions to proposed law regarding cases involving intentional torts, medical malpractice, sexual assault, sexual battery, and actions with no liable payors.

Proposed law provides for prospective application.

Effective on Jan. 1, 2027.

(Adds R.S. 6:1431-1434)

#### 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.

#### The House Floor Amendments to the engrossed bill:

1. Provide that proposed law does not apply to cases involving intentional torts, medical malpractice, sexual assault, sexual battery, and actions with no liable payors.
2. Define "payor" and redefine "qualifying medical expenses".
3. Change all references in proposed law from "judgment debtor" to "payor" and from "judgment creditor" to "plaintiff".
4. Provide for the closing of the CARE Account 180 days after notice of the death of the plaintiff.
5. Make technical changes.