SB 623

1) Signed into Law July, 2026
2) “Lien-Based Provider”
3) Takes effect 1/1/2027
    1) ONLY covers Tx AFTER 1/1/27
    2) ONLY covers LIENS
        1) Not insurance paid Tx
        2) Not CASH paid Tx (partial paid GRAY)

SB 623

1) Uber pushed this bill through because…

   a) Attorneys were referring clients to surgery centers that THEY OWNED partially or completely

   b) Attorneys were paying referral “fees” to doctors

   c) Doctors were “selling the paper” – Rich investors were paying 40% of the grossly inflated lien amount to the doctor, then trying to collect the rest of the exorbidant lien amount on the P.I. case

SB 623-Definition of Lien-Based

1) “Any health care provider or other person or entity that renders, furnishes, bills for, finances or seeks payment for health care-related good or services provided pursuant to an agreement under which payment is contingent upon, secured by or expected from the proceeds of the patient’s legal claim.”

SB 623 – What It Does

1) ONLY affects “Recovery of Damages” in P.I. cases in California
2) ONLY affects “Lien-Based Providers”
3) Allows the P.I. attorney to ONLY present medical bills not exceeding 70% of what FAIR HEALTH INC. says are reasonable charges
4) Providers cannot “balance bill” patient for lien-based fees over 70% of Fair Health Inc.

SB 623 – What It Does

1) This does NOT set any fees schedule
2) This mostly affects surgery centers and pain management doctors who work only on liens
3) This gets Wall Street out of the PI business
4) The P.I. Attorney can ONLY submit to the court 70% of Fair Health Inc. no matter what the provider charges

SB 623 – What It Does

1) Any amount billed by a “Lien-based provider” which is above 70% of Fair Health Inc. is NULL AND VOID
    1) You may NOT collect the excess
2) Fair Health Inc. gives a fee for every CPT code. It helps you to itemize each service separately
    1) Adjustment CPT code
    2) Ultrasound CPT code
    3) Exercises CPT code
    4) (BILL EVERYTHING SEPARATELY)

SB 623 – What It Does

1) If you sell your lien, whoever buys it absolutely cannot collect from the P.I. lawyer one penny more than that they PAID the doctor for that lien (paper)
2) Any paperwork/contract regarding the sale of a medical lien is discoverable in the P.I. case
3) Upon request, a “lien-based provider” must provide the number of cases referred to that lawyer during the past 24 months (penalty of perjury)

SB 623 – What It Does

1) No lawyer can give fee splits, receive kick-backs, rebates or referral compensation to any lien-based provider
2) NOTE: This is the SAME LAW already on the books for D.C.s. This law applies it to lawyers now.

SB 623

1) "A lien-based provider" shall not enter into any agreement or understanding to reduce a medical lien BEFORE medical services are rendered.
2) NOTE: This is the SAME LAW that already applies to D.C.s