

SENATE BILL 1184

By Tracy

AN ACT to amend Tennessee Code Annotated, Title 24
and Title 29, relative to the recovery of tort
damages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

WHEREAS, this act may be known as the "Phantom Damages Elimination Act"; and

WHEREAS, compensatory damages in tort law afford compensation for injuries
sustained by one (1) person as a result of the conduct of another; and

WHEREAS, current state law allows claimants to recover phantom damages by allowing
claimants to recover medical and other costs of health care that have never been paid by the
claimant or a third party; and

WHEREAS, this act prevents claimants from recovering phantom damages by
preventing the recovery of medical and other costs of health care in excess of the actual amount
of economic compensatory damages the claimant, or the party with a subrogation interest in the
claimant's claim, paid or will owe; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 29, Chapter 39, Part 1, is amended by
adding a new section as follows:

29-39-105.

(a) In any civil action for personal injury or wrongful death to recover economic
damages in which liability is admitted or established, the economic damages that may
be recovered by a claimant for medical and other costs of health care shall only include:

(1) Any amount paid by or on behalf of the claimant;

(2) Any amount necessary to satisfy unpaid charges for medical and other costs of health care that have been incurred but not yet satisfied by or on behalf of the claimant; and

(3) Any amount necessary to satisfy future medical charges proven by expert testimony.

(b) This section shall not be construed to increase the amount of or type of damages recoverable under state law.

(c) This section shall not be construed to alter subrogation rights under state law.

(d) This section is in addition to, and does not otherwise affect, any other limitation on damages under state law.

SECTION 2. This act shall take effect July 1, 2013, the public welfare requiring it, and shall apply to any action filed on or after the effective date of this act.