

Justin Riess, Maria Parker in Practical Law Finance: Security Interests: Healthcare-Insurance Receivables

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Partner Justin Riess and Associate Maria Parker authored a practice note on healthcare-insurance receivables and the methods of perfection of a security interest in them under the Uniform Commercial Code. The note, published in Practical Law Finance, also examines issues relating to healthcare-insurance receivables paid by the government.

Providing a secured credit facility to a borrower whose primary customer is the federal government creates numerous challenges, including the lender's performance of due diligence and the perfection of its security interest in the borrower's collateral. These challenges are compounded further if the borrower's industry is healthcare. In the debt markets, the healthcare industry is a broad designation that can encompass various healthcare providers, including, without limitation, hospitals, medical device manufacturers, medical laboratories, physician practices, home hospice companies and skilled nursing facilities.

This Note discusses the issues and potential solutions for lenders to healthcare companies, with a particular focus on taking a perfected security interest in healthcare-insurance receivables as defined in the Uniform Commercial Code (UCC).

Due Diligence in Healthcare Financings

While attorneys should review several matters when advising a lender in a healthcare financing transaction, they should primarily focus on the borrower's compliance with state and federal statutes, regulations and compliance programs.

To read the full article, click on the PDF linked below:

[Riess-Parker-Healthcare-Insurance-Receivables.PDF](#)