

**HOUSE BILL NO. 1063**

Introduced by

Legislative Council

(Workers' Compensation Review Committee)

1 A BILL for an Act to amend and reenact section 65-05-29 of the North Dakota Century Code,  
2 relating to workers' compensation coverage for preexisting conditions; and to provide for  
3 application.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 65-05-29 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **65-05-29. Assignment of claims void - Claims exempt.**

8 1. Any assignment of a claim for compensation under this title is void. All  
9 compensation and claims therefor are exempt from claims of creditors except any  
10 of the following:

11 ~~4.~~ a. A child support obligation ordered by a court of competent jurisdiction.

12 ~~2.~~ b. A claim by job service North Dakota for reimbursement of unemployment  
13 benefits, for the amount that was paid by job service North Dakota during the  
14 period for which the claimant is found eligible for temporary total or permanent  
15 total disability benefits, not to exceed the disability award actually made by the  
16 organization.

17 ~~3.~~ c. A claim by the organization for any payments made due to:

18 ~~a.~~ (1) Clerical error, mistake of identity, innocent misrepresentation by or on  
19 behalf of the recipient, or any other circumstance of a similar nature, all  
20 not induced by fraud, in which cases the recipient shall repay it or  
21 recoupment of any unpaid amount may be made from any future  
22 payments due to the recipient on any claim with the organization;

23 ~~b.~~ (2) An adjudication by the organization or by order of the board or any  
24 court, if the final decision is that the payment was made under an

1 erroneous adjudication, in which cases the recipient shall repay it or  
2 recoupment of any unpaid amount may be made from any future  
3 payments due to the recipient on any claim with the organization;

4 e. (3) Fraud, in which case the recipient shall repay the payment or the  
5 unpaid amount of the sum may be recouped from any future payments  
6 due to the recipient on any claim with the organization; or

7 e. (4) Overpayment due to application of section 65-05-09.1.

8 2. Notwithstanding paragraph 2 of subdivision c of subsection 1, during the sixty days  
9 immediately following the date of injury, if the organization accrues a medical  
10 expense or makes a payment for a medical expense and the organization later  
11 determines the medical expense is for the care and treatment of a  
12 noncompensable injury, disease, or other condition, the injured employee is not  
13 liable for the medical expense accrued or paid by the organization before the  
14 earlier of:

15 a. The third day following the date the organization makes a determination the  
16 medical expense is for a noncompensable injury, disease, or condition; or

17 b. The third day following the date the injured employee or medical provider  
18 reasonably should have known the medical expense is for a noncompensable  
19 injury, disease, or condition.

20 **SECTION 2. APPLICATION.** This Act applies to medical expenses incurred on or after  
21 the effective date of this Act.