

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

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

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

21 b. Medical expenses incurred under this subsection may not be charged against
22 an employer's account for purposes of experience rating.

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