

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 ~~1.~~ 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

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

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

~~f.~~ (4) Overpayment due to application of section 65-05-09.1.

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

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

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

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