

House File 637 - Introduced

HOUSE FILE 637
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 190)

A BILL FOR

1 An Act relating to the recovery of overpayment of a claim by a
2 dental carrier.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. NEW SECTION. **514C.3D Dental carrier — recovery**
2 **of claim overpayment.**

3 1. *Definitions.* As used in this section, unless the context
4 otherwise provides:

5 a. "*Dental care provider*" means the same as defined in
6 section 514C.3C.

7 b. "*Dental care services*" means the same as defined in
8 section 514C.3C.

9 c. "*Dental carrier*" means the same as defined in section
10 514C.3C.

11 d. "*Overpayment*" means a payment made in error by a dental
12 carrier to a dental provider for a dental care service.

13 2. *Appeals.* A dental carrier shall establish written
14 policies and procedures for a dental care provider to appeal
15 an overpayment recovery or overpayment recovery request made
16 by the dental carrier. The dental carrier shall notify the
17 dental care provider of the policies and procedures to appeal
18 an overpayment recovery or overpayment recovery request at the
19 time that the dental carrier makes the overpayment recovery or
20 overpayment recovery request. The policies and procedures must
21 allow a dental care provider to appeal an overpayment recovery or
22 overpayment recovery request within a minimum of ninety calendar
23 days after the dental care provider receives such notice. The
24 policies and procedures must allow the dental care provider
25 to access the claim information that is the subject of the
26 overpayment dispute.

27 3. *Notice.* A dental carrier shall not attempt to recover
28 an overpayment, in whole or in part, unless the dental carrier
29 provides written notice of the overpayment to the dental care
30 provider no later than three hundred sixty-five calendar days
31 after the date the dental care provider received the overpayment.
32 The written notice of overpayment must identify the error made
33 in the processing or payment of the claim. The written notice
34 must state a request for recovery of the overpayment or notify
35 the dental care provider of withholding or reducing a payment as

1 required in subsection 4. If a recovery attempt is made pursuant
2 to subsection 4, then the dental carrier shall be deemed to have
3 met the notice requirements of this subsection.

4 4. *Withholding or reducing payments.* A dental carrier may
5 attempt to recover an overpayment by withholding or reducing
6 a payment to a dental care provider for a different claim
7 if the dental carrier provides the dental care provider with
8 written notice within twenty-eight calendar days after the date
9 of withholding or reducing the payment for the other claim.
10 The notice must identify the original claim that was overpaid,
11 the amount being withheld or reduced for the overpayment and
12 recovery, and the payment from which such amount is being
13 withheld or reduced. A dental carrier may include the notice
14 required by this subsection as part of the notice required by
15 subsection 3.

16 5. *Applicability.* Subsections 3 and 4 shall not apply, and
17 a dental carrier shall be entitled to recover an overpayment, if
18 the overpayment recovery efforts are based on a reasonable belief
19 of fraud, abuse, or other intentional misconduct.

20 6. *Waiver prohibited.* The requirements of this section shall
21 not be waived by contract. Any contract contrary to this section
22 shall be null and void.

23 7. *Rules.* The commissioner of insurance may adopt rules
24 pursuant to chapter 17A to administer this section.

25 EXPLANATION

26 The inclusion of this explanation does not constitute agreement with
27 the explanation's substance by the members of the general assembly.

28 This bill relates to the recovery of an overpayment of a claim
29 by a dental carrier.

30 Under the bill, a carrier shall establish written policies
31 and procedures for a provider to appeal an overpayment recovery
32 or overpayment recovery request. "Overpayment" is defined in
33 the bill. A carrier shall notify a provider of the policies
34 and procedures to appeal the overpayment recovery or overpayment
35 recovery request, and such policies and procedures must allow

1 a provider to appeal such recovery or request within a minimum
2 of 90 calendar days after the notice is received. The policies
3 and procedures also must allow the provider to access the claim
4 information that is the subject of the overpayment dispute.

5 A carrier shall not attempt to recover an overpayment made
6 to a provider unless, no later than 365 calendar days after the
7 date the provider receives the overpayment, the carrier provides
8 written notice of the overpayment to the provider identifying
9 the error made in the processing or payment, and stating a
10 request for recovery of the overpayment or notice of withholding
11 or reducing a payment to the provider. If such a recovery
12 attempt is made, a carrier shall be deemed to have met the notice
13 requirement.

14 A carrier may attempt to recover an overpayment by withholding
15 or reducing payment to a provider for a different claim if
16 the carrier notifies the provider in writing within 28 calendar
17 days after the date of withholding or reducing the payment for
18 the other claim. The notice must identify the original claim
19 that was overpaid, the amount being withheld or reduced for the
20 overpayment and recovery, and the payment from which such amount
21 is being recovered or reduced.

22 The requirements of the bill shall not be waived by contract.
23 Any contract contrary to the bill shall be null and void.
24 The commissioner of insurance may adopt rules pursuant to Code
25 chapter 17A to administer the bill.