

**House Study Bill 190 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON COMMERCE BILL BY  
CHAIRPERSON LUNDGREN)

**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:

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  
22 or overpayment recovery request within a minimum of ninety  
23 calendar days after the dental care provider receives such  
24 notice. The policies and procedures must allow the dental care  
25 provider to access the claim information that is the subject of  
26 the 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  
31 days after the date the dental care provider received the  
32 overpayment. The written notice of overpayment must identify  
33 the error made in the processing or payment of the claim.  
34 The written notice must state a request for recovery of the  
35 overpayment or notify the dental care provider of withholding

1 or reducing a payment as required in subsection 4.

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

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

17 6. *Waiver prohibited.* The requirements of this section  
18 shall not be waived by contract. Any contract contrary to this  
19 section shall be null and void.

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

22 EXPLANATION

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

25 This bill relates to the recovery of an overpayment of a  
26 claim by a dental carrier.

27 Under the bill, a carrier shall establish written policies  
28 and procedures for a provider to appeal an overpayment  
29 recovery or overpayment recovery request. "Overpayment" is  
30 defined in the bill. A carrier shall notify a provider of the  
31 policies and procedures to appeal the overpayment recovery or  
32 overpayment recovery request, and such policies and procedures  
33 must allow a provider to appeal such recovery or request within  
34 a minimum of 90 calendar days after the notice is received.  
35 The policies and procedures also must allow the provider

1 to access the claim information that is the subject of the  
2 overpayment dispute.

3 A carrier shall not attempt to recover an overpayment made  
4 to a provider unless, no later than 365 calendar days after  
5 the date the provider receives the overpayment, the carrier  
6 provides written notice of the overpayment to the provider  
7 identifying the error made in the processing or payment, and  
8 stating a request for recovery of the overpayment or notice of  
9 withholding or reducing a payment to the provider.

10 A carrier may attempt to recover an overpayment by  
11 withholding or reducing payment to a provider for a different  
12 claim if the carrier notifies the provider in writing within  
13 one calendar day after the date of withholding or reducing the  
14 payment for the other claim. The notice must identify the  
15 original claim that was overpaid, the claim being withheld  
16 or reduced, and the amount being withheld or reduced for the  
17 overpayment and recovery.

18 The requirements of the bill shall not be waived by contract.  
19 Any contract contrary to the bill shall be null and void. The  
20 commissioner of insurance may adopt rules pursuant to Code  
21 chapter 17A to administer the bill.