

2025 Regular Session

HOUSE BILL NO. 422

BY REPRESENTATIVE FREEMAN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

HEALTH CARE: Provides with respect to timely reimbursement of overpaid medical bills to patients by healthcare providers

1 AN ACT

2 To enact Part IX of Chapter 5-G of Title 40 of the Louisiana Revised Statutes of 1950, to be
3 comprised of R.S. 40:1300.81 through 1300.83, relative to overpayment of medical
4 bills; to provide for definitions; to require certain healthcare providers to refund
5 overpayments; to establish a period of time a healthcare provider is required to
6 refund an overpayment; to require notification; to require a healthcare provider to
7 maintain records; to provide for fines; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Part IX of Chapter 5-G of Title 40 of the Louisiana Revised Statutes of
10 1950, comprised of R.S. 40:1300.81 through 1300.83, is hereby enacted to read as follows:

11 PART IX. PATIENT OVERPAYMENT REFUND ACT

12 §1300.81. Short title; purpose

13 A. This Part may be cited as the "Patient Overpayment Refund Act".

14 B. The purpose of this Part is to ensure timely refunds of overpayments
15 made by patients to healthcare professionals and promote financial fairness and
16 transparency in medical billing.

17 §1300.82. Definitions

18 As used in this Part, the following terms have the following meanings:

19 (1) "Healthcare provider" means a medical practice, clinic, facility, group,
20 or hospital providing healthcare services.

1 (2) "Overpayment" means an amount paid by a patient or his representative
2 that exceeds the total amount owed for services rendered, whether due to billing
3 errors, insurance adjustments, or other factors.

4 (3) "Patient" means an individual who has received medical services and
5 made a payment or whose representative has made a payment on his behalf.

6 §1300.83. Requirement to refund overpayments

7 A.(1) A healthcare provider shall issue a refund to a patient for any
8 overpayment within ninety days after the overpayment is identified and verified.

9 (2) The refund shall be issued in the same form as the original payment
10 unless otherwise requested by the patient. If the original form of payment is not
11 feasible, the healthcare provider shall issue the refund through an alternative method
12 agreed to by the patient.

13 B.(1) A healthcare provider shall notify a patient in writing or through
14 electronic communication when issuing a patient a refund for overpayment.

15 (2) A healthcare provider shall maintain a record of all identified
16 overpayments and issued refunds for a minimum of three years.

17 C.(1) If a healthcare provider fails to issue a refund within the timeframe
18 provided for Subsection A of this Section, the Louisiana Department of Health shall
19 assess a five hundred dollar fine or the amount of the overpayment, whichever is
20 greater, per violation to the healthcare provider.

21 (2) A patient of a healthcare provider that violated the provisions of this Part
22 may file a complaint with the Louisiana Department of Health.

23 D.(1) The healthcare provider may apply an overpayment as a credit toward
24 a balance if a patient has an outstanding balance with the healthcare provider, and
25 he consents to the application of the overpayment to his outstanding balance.

26 (2) If the healthcare provider is unable to locate the patient after reasonable
27 efforts, the healthcare provider may process a patient overpayment in accordance
28 with applicable state unclaimed property laws.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 422 Original

2025 Regular Session

Freeman

Abstract: Requires a healthcare provider to issue a refund to a patient who overpays for medical services.

Proposed law provides that a healthcare provider shall reimburse a patient who overpays for medical services within 90 days after the overpayment is identified and verified.

Proposed law provides that a healthcare provider shall notify a patient when issuing a patient a refund or overpayment.

Proposed law provides that a healthcare provider shall maintain a record of all identified overpayments and all issued refunds for at least three years.

Proposed law states that if a healthcare provider fails to issue a refund within 90 days after the overpayment is identified, the La. Dept. of Health shall assess a \$500 fine to the healthcare provider.

Proposed law provides that a patient may file a complaint alleging a violation of proposed law to the La. Dept. of Health.

Proposed law provides that an overpayment may be applied as a credit toward the patient's balance with the patient's consent.

Proposed law defines terms.

(Adds R.S. 40:1300.81-1300.83)