

**As Reported by the Senate Financial Institutions, Insurance and  
Technology Committee**

**136th General Assembly**

**Regular Session  
2025-2026**

**Sub. S. B. No. 162**

**Senator Blessing**

**Cosponsor: Senator Liston**



To amend section 3901.388 of the Revised Code 1  
regarding the timeframe for health insurer 2  
recoupment from health care providers. 3

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 3901.388 of the Revised Code be 4  
amended to read as follows: 5

**Sec. 3901.388.** ~~(A)~~ (A) (1) A payment made by a third-party 6  
payer to a provider in accordance with sections 3901.381 to 7  
3901.386 of the Revised Code shall be considered final ~~two-~~ 8  
~~years~~ one year after payment is made. After that date, the amount 9  
of the payment is not subject to adjustment, except in the case 10  
of fraud by the provider. 11

(2) No third-party payer shall change its payment, audit, 12  
or review timelines during the contract period. 13

(B) A third-party payer may recover the amount of any part 14  
of a payment that the third-party payer determines to be an 15  
overpayment if the recovery process is initiated not later than 16  
~~two years~~ one year after the payment was made to the provider. 17  
The third-party payer shall inform the provider of its 18

determination of overpayment by providing notice in accordance 19  
with division (C) of this section. The third-party payer shall 20  
give the provider an opportunity to appeal the determination and 21  
shall not charge the provider a fee for an appeal. If the 22  
provider fails to respond to the notice ~~sooner than thirty~~ 23  
within sixty days after the notice is made, ~~elects not to appeal~~ 24  
~~the determination,~~ or appeals the determination but the appeal 25  
is ~~not upheld~~denied, the third-party payer may initiate recovery 26  
of the overpayment. 27

When a provider has failed to make a timely response to 28  
the notice of the third-party payer's determination of 29  
overpayment, the third-party payer may recover the overpayment 30  
by deducting the amount of the overpayment from other payments 31  
the third-party payer owes the provider or by taking action 32  
pursuant to any other remedy available under the Revised Code. 33  
When a provider ~~elects not to appeal a determination of~~ 34  
~~overpayment or~~ appeals the determination but the appeal is ~~not~~ 35  
~~upheld~~denied, the third-party payer shall permit a provider to 36  
repay the amount by making one or more direct payments to the 37  
third-party payer or by having the amount deducted from other 38  
payments the third-party payer owes the provider. 39

~~(C)~~ (C) (1) The notice of overpayment a third-party payer is 40  
required to give a provider under division (B) of this section 41  
shall be made in ~~writing~~ accordance with division (C) (2) of this 42  
section and shall specify all of the following: 43

~~(1)~~ (a) The full name of the beneficiary who received the 44  
health care services for which overpayment was made; 45

~~(2)~~ (b) The date or dates the services were provided; 46

~~(3)~~ (c) The amount of the overpayment; 47

<del>(4)</del> <u>(d)</u> The claim number or other pertinent numbers;	48
<del>(5)</del> <u>(e)</u> A detailed explanation of basis for the third-party payer's determination of overpayment;	49 50
<del>(6)</del> <u>(f)</u> The method in which payment was made, including, for tracking purposes, the date of payment and, if applicable, the check number;	51 52 53
<del>(7)</del> <u>(g)</u> That the provider may appeal the third-party payer's determination of overpayment, if the provider responds to the notice within <del>thirty</del> <u>sixty</u> days;	54 55 56
<del>(8)</del> <u>(h)</u> The method by which recovery of the overpayment would be made, if recovery proceeds under division (B) of this section.	57 58 59
<u>(2) A third-party payer shall give a provider a notice of overpayment in writing. If the third-party payer and provider use an agreed-upon established electronic notification system, the third-party payer shall notify the provider electronically through that system.</u>	60 61 62 63 64
(D) Any provision of a contractual arrangement entered into between a third-party payer and a provider or beneficiary that is contrary to divisions (A) to (C) of this section is unenforceable.	65 66 67 68
<b>Section 2.</b> That existing section 3901.388 of the Revised Code is hereby repealed.	69 70