SummaCare

Uncontrolled if Printed

Policy Number: CSCR0011
Manual Name: SMSO Policy Manual
Policy Name: Overpayment Recovery Procedures
Approved By: Stephen Adamson, Chief Operations Officer
Last Revised: 07/05/2019

SMSO Policy Manual
OVERPAYMENT RECOVERY PROCEDURES

Executive Sponsor:	Stephen Adamson, Chief Operations Officer
Issuing Department:	Claims Recovery
Gate Keeper:	Terry Snyder, Manager, Claims Adjustment, Recovery and Operational Support

COMPLIANCE STATEMENT:

Enforcement:	All members of the workforce are responsible for compliance with this policy. Failure to abide by the requirements of this policy may result in corrective action, up to and including termination. Workforce members are responsible for reporting any observed violations of this policy.
Review Schedule:	This policy will be reviewed and updated as necessary and no less than every two years.
Monitoring and Auditing:	The Issuing/Collaborating Department(s) is responsible for monitoring compliance with this policy.
Documentation:	Documentation related to this policy must be maintained for a minimum of 10 years.

Applies to:

☒ SummaCare ☒ Apex
☒ Summa Management Services Organization (SMSO) ☒ Summa Insurance Company

Line of Business:

☒ Commercial Groups ☒ Medicare
☒ Medicare Supplemental ☒ On-Exchange
☒ Off-Exchange ☒ Self-Funded

1.0 Purpose:

1.1 To outline the established method for processing overpayment refund request letters including creation, tracking and storage of different subsets during the recovery process.

2.0 Policy:

2.1 Guidelines for processing of refund request letters from creation to collection.

3.0 Procedure:

3.1 Overpayment Refund Request Letters

3.1.1 Once a claim has been identified as overpaid and within the Client Specific line of business it should be entered into the overpayment log without an entry in the "Date Sent" column. The overpayment log is located on the Q:\ drive under Claims\Technical\Recovery\Overpayments with the title "Overpayment Log".

3.1.2 These overpaid claim entries will then be batch processed and mail merged periodically to create refund letters per the instructions outlined in the document entitled, "Instructions for Overpayment Batch Processing" located on the Q:\ drive under Claims\Technical\Recovery\Overpayments

3.1.3 Once these letters have been created and two copies printed they should be proofread and paired with their supporting documentation. A single copy will be mailed to the provider and the second copy will be kept with supporting documentation for scanning into the document management system.

3.1.3.1 The Client Specific letterhead template will be used for producing the overpayment letters.

3.1.4 The claims will then be remarked in claims processing system to indicate that a refund letter is being sent. This remark must include:

3.1.4.1 An announcement that an overpayment letter is being sent,

3.1.4.2 The date the refund letter is being sent, and

3.1.4.3 The initials of the person remarking the claim.

3.1.5 The letters must then be prepared for scanning into document management system per the Information Systems Technical Services Policy entitled, "Claims Technical Overpayment Files." A copy of this policy is also listed for reference on the Q:\ drive under Claims\Technical\Recovery.

3.1.5.1 Overpayments will be saved under the member's folder in document management system.

3.1.5.2 Providers with multiple overpayments, five or greater, will be issued a single letter along with a spreadsheet containing all the relevant information for refunding.

3.1.6 Courtesy phone calls will be placed prior to refund requests being mailed when the following criteria applies. The provider services unit will place these calls. However, the recovery unit will notify and provide supporting documentation as needed to initiate and allow for completion.

3.1.6.1 Individual provider criteria are reached when the total numbers of refund requests exceed 20 patient accounts/claims or the dollar amount exceeds $5,000.00.

3.1.6.2 Facility type provider criteria are reached when the total numbers of refund requests exceed 100 patient accounts/claims or the dollar amount exceeds $10,000.00.

3.1.7 Once these files have been scanned into document management system by Document Services, they will be available for viewing by all staff through standard venues. The files will be listed under the category, “Overpayment Files” by the date the letters are sent and the claim number that is associated with it.

3.1.8 If any further developments occur involving the overpayment, this should be recorded in the Image Notes in the document management system.

3.1.9 As refunds are received, the entries in the overpayment log should be moved to the refunded section of the workbook to indicate that they are no longer outstanding.

3.2 No Reponse to Overpayment Request

3.2.1 If a refund is not received from the provider within 30 days from the date the original request was sent, pursuant to Ohio Revised Code, 3901.388, a take back will be done and the overpayment will be recouped from future payments.

3.2.1.1 Take backs/retractions can only be done on current groups and providers with active affiliations. In this case a second request letter will be sent allowing for an additional 30 days for response.

3.2.2 Once the take back has been processed in the claims processing system, the completed information will be moved from the Overpayment Log to the Take-Back Log.

3.3 Processing of Overpayments Beyond 90 Days Old

3.3.1 Overpayments that are not refunded and/or recouped within 90 days of the original request will be sent to an overpayment collection agency for attempted recovery.

3.3.2 The recovery unit will continue to monitor the recovery of these claims through the third party and track any recoverable funds.

3.4 Manager, Claims Adjustment, Recovery and Operational Support has the authority and responsibility for the activities in this policy or procedure.

3.5 The Issuing Dept. is responsible for monitoring/enforcing the compliance with this policy.

3.5.1 Compliance will conduct periodic reviews to monitor and audit compliance with this policy.

4.0 References:

4.1 Source of the policy (regulatory citation, accreditation standard, internal standard)

4.1.1 None

4.2 Are there any references to other documents, regulations, or intranet locations?

4.2.1 None

4.3 Are there other policies that work in conjunction with this policy?

4.3.1 None

4.4 Replaces (if applicable):

4.4.1 None

5.0 Definitions:

5.1 None

6.0 Key Words or Aliases (Optional):

6.1 Claims, Recovery

ORIGINAL *EFFECTIVE DATE*: 3/15/2005
REVIEWED: 3/16/2017, 6/6/2019, 7/8/2019, 09/17/2020
REVISED: 7/17/2013, 7/5/2019 (format), 09/17/2020