POLICY NUMBER 2007-12

August 14, 2012

POLICY: OVERPAYMENTS FROM HEALTHCARE INSURANCE PROGRAMS – MANAGEMENT OF SYSTEMIC AND/OR SUBSTANTIAL OVERPAYMENTS

PURPOSE:
The purpose of this policy is to outline the process for timely identification, correction, reporting and refunding of identified substantial and/or systemic overpayments received from health insurers.

SCOPE:
This policy applies to overpayments received for services provided to patients of John Dempsey Hospital, University Medical Group and University Dentists. It is applicable to both commercial and government health insurers. Overpayments covered under this policy are systemic and/or substantial overpayments discovered through routine monitoring activities, billing or coding reviews, investigations and internal audits.

Non-systemic and/or non-substantial overpayments that are noted and corrected on a daily/routine basis by those working in the Patient Financial Services Departments through claims reprocessing are not applicable under this policy.

DEFINITIONS:
Overpayment: This policy shall define overpayment as funds paid in excess of the amount due or payable under statutory or contractual terms. Overpayments may result from (not all inclusive): inaccurate coding, medically unnecessary services, duplicate payments, incorrect units, or insufficient documentation.

Identified Overpayment: Overpayments will be considered “identified overpayments” when a timely and reasonable inquiry has been conducted and reviewed by the Office of Audit, Compliance and Ethics or Finance staff.

Obligation to Report:

Employees with knowledge of inaccuracies that may cause overpayments are required to report the inaccuracy. Concerns should be reported to either; a supervisor, the Compliance Office at (860) 679-4180 or anonymously through the Reportline at (888) 685-2637.
Obligation to Investigate Reported Concerns:

All reported concerns regarding potential overpayments will be investigated in a timely and thorough manner.

Obligation to Refund:

All Medicare and Medicaid identified overpayments shall be reported and refunded in accordance with Section 6402 of the Patient Protection and Affordable Care Act. Section 6402 mandates that health care providers report and return Medicare or Medicaid overpayments by the later of:

1. 60 days after the date the overpayment was indentified, or
2. The date the corresponding cost report is due.

Refunds of identified overpayments from commercial insurers shall be governed by the individual contractual agreement between the UConn Health and the commercial insurer.

Refund Method:

I. Medicare

Identified overpayments from Medicare shall be refunded utilizing one of the following methods:

1. Electronic fund transfer through claims reprocessing
2. Check and Voluntary Refund Form to Medicare Administrative Carrier (MAC)
3. OIG Self Disclosure Protocol

II. Medicaid

Identified overpayments from Medicaid shall be refunded to the Medicaid agency that paid the claim through either claims reprocessing or check.

III. Commercial Insurances

Identified overpayments from commercial insurances shall be refunded to the company that paid the claim through either claims reprocessing or check.
Overpayments From Healthcare Insurance Programs
– Management Of Systemic And/Or Substantial Overpayments
Policy #2007-12 (08/14/12)

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