n05595

Correcting Provider Overpayment & Underpayments

Values

Accountability ● Integrity ● Service Excellence ● Innovation ● Collaboration

Abstract Purpose:

This reimbursement policy outlines Network Health's process, for all lines of business, when correcting provider overpayments and/or underpayments.

Policy Detail:

I. For Medicare Advantage, consistent with Chapter 34 of the Medicare Claims Processing Manual, Network Health will not process claims beyond one year from the original process date. Exceptions to the one year look back period are:

   A. Compliance with all applicable Medicare laws, regulations, and instructions from the Centers for Medicare & Medicaid Services (CMS)
   B. Errors discovered by any State or Federal agency
   C. Fraud or clinical errors

II. For all other lines of business, Network Health will correct provider overpayments and/or underpayments when either the provider notifies Network Health of such correction, or Network Health identifies an overpayment and/or underpayment within twelve (12) months of the original process date.

III. Providers shall not be required to appeal errors in payments when the claim has not been paid according to the providers signed contract.

IV. When notice of a provider overpayment and/or underpayment is received timely, Network Health will correct and adjust the overpayment and/or underpayment within thirty (30) calendar days of receipt of any necessary documentation verifying the overpayment and/or underpayment.

V. Network Health will not correct provider overpayment and/or underpayments when provider requests the payment correction more than twelve (12) months after the original process date.

VI. Network Health may retroactively deny a claim and furnish a provider with notice after Network Health paid the claim to which the overpayment and/or underpayment applies. Credit balances may be held indefinitely. Time limitations shall not apply if the overpayment is due to fraud, waste, or abuse.

VII. The notice to the provider will be in the form of a Remittance Advice (RA) sent to the provider at the time the claim is adjusted through the normal claim payment process.

VIII. Network Health may collect overpayments by withholding or offsetting the overpayment amount against current or future payments to the provider or by requesting a refund for the amount overpaid from the provider as outlined in the provider contract. If Network Health does not receive a refund within thirty (30) days, a reminder letter will be issued stating the overpayment is expected within twenty-one (21) days from the date of the letter. If payment is not received within that timeframe, the account will be released to collections.

IV. Network Health will also recover overpayments due to Coordination of Benefits (COB) and/or subrogation (identification of a third party).

Related Policies:
Coordination of Benefits
Subrogation
Workers' Compensation Submission

Regulatory Citations:
Centers for Medicare & Medicaid Services (CMS)

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