

Overpayment Unsolicited Voluntary Refunds

The Office of the Inspector General (OIG), working with the Department of Justice and CMS, has two initiatives to help combat health care fraud and abuse and encourage health care providers to comply with the rules and regulations of federal health care programs. These initiatives are Compliance Program Guidances and Corporate Integrity Agreements (CIAs). The Compliance Program Guidances are voluntary, while the CIAs are mandatory. Both initiatives are designed to ensure that the providers/suppliers refund inappropriately received Medicare monies to the trust funds.

Providers may identify overpayments through internal compliance or informal internal investigations. Part A generally receives voluntary refunds in the form of an adjustment bill but may receive some voluntary refunds as checks or reported as credit balances. Part B providers are required to complete an Overpayment Refund Form to assist in the control and processing of these refunds.

http://www.trailblazerhealth.com/Publications/PDF Form/overpaymentform_fields.pdf

The Overpayment Refund Form, the refund and the following information should be submitted:

- Describe the steps taken to ensure that the issue leading to the overpayment was corrected.
- Provide the dates the corrective action was in place at the hospital.
- Provide the time frame and the total amount of refund for the period during which the problem existed that caused the refund.

Part B providers who wish to report an overpayment should complete and submit the Overpayment Inquiry Form. They will then receive a demand letter requesting the overpayment be refunded.

<http://www.trailblazerhealth.com/Publications/PDF Form/OverpaymentsWritten-RedeterminationInquiryForm.pdf>

Please list all claim numbers involved and attach a separate sheet, if necessary. If the specific patient Health Insurance Claim (HIC) number or claim amount is not available for all the claims due to statistical sampling, please indicate the methodology and formula that were used to determine the amount and the reason for the overpayment. It is also important for providers to indicate if the voluntary refund is the result of a CIA.

If a physician/supplier submits a Medicare claim, receives a Medicare payment and finds the Medicare program has overpaid, the physician/supplier is responsible for immediately refunding the overpaid amount to the Medicare Administrative Contractor (MAC). The physician/supplier should not hold the overpaid amount until the MAC requests a refund of the overpayment.

Under the Federal Claims Collection Act of 1966, each agency or agent of the federal government must attempt the collection of federal claims for money arising out of the activities of the agency.

Overpayments should be refunded to Medicare in one of two ways:

- Return the original Medicare check. Return the original check only when the entire check amount is overpaid.
- Return the refund using a business check, personal check or money order. Make the check or money order payable to TrailBlazer Health Enterprises, LLC.

If identifying information is not sent with the refund, it is possible the refund might not be applied in a timely manner or might not be applied to the appropriate account. Medicare will not return the refund but will apply any unidentified refunds as non-claim related and no appeal rights can be afforded. At a minimum, provide the following identifying information for each claim refunded:

- Patient's HIC number.
- Provider/physician/supplier or other entity's name, number, and tax ID number.
- Identification of whether the provider/physician/supplier or other entity has a CIA with the OIG or is under the OIG Self-Disclosure Protocol or whether it is a straight refund (i.e., a provider not under a CIA or OIG Self-Disclosure Protocol).
- The reason(s) for each refund.

For voluntary refunds due to Medicare Secondary Payments (MSP), in addition to the information listed above, include:

- A copy of the other insurer's explanation of benefits.
- The patient's relationship to the insured party.
- The effective date of the other insurance coverage.

Send the Overpayment Refund Form and Overpayment Inquiry Form to the appropriate address below:

Part A

TrailBlazer Health Enterprises, LLC
Part A Financial Management Operations
P.O. Box 9060
Denison, TX 75020-9060

Part B

TrailBlazer Health Enterprises, LLC
Part B Debt Collection & Referral
3101 S. Woodlawn
Denison, TX 75020

Submission of a voluntary refund check does not discharge the provider's obligations. Therefore, voluntary refund checks with conditional endorsements, such as "payment in full," "paid in full" or similar phrases that suggest satisfaction of the debt should not be included and will not be accepted.

Note: Requested contractor involuntary refunds should be sent to the attention of the requester and not sent as voluntary refunds. If the refund is in response to a Part B overpayment demand letter, include a copy of the demand letter with the refund check. Do not refund demanded overpayments on the same check as voluntary refunds.