

SWMBH Operating Policy 10.22

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| Subject: 60-day Requirement for Reporting and Returning of Overpayments | | Accountability: Compliance Department | Effective Date: 4/13/16 | Pages: 2 |
| REQUIRED BY: BBA Section _____ PIHP Contract Section _____ NCQA/URAC Standard _____ SA SARF _____ Other <u>42 CFR §401.301 – §401.305</u> | | | Last Reviewed Date: 4/13/16 | Past Reviewed Dates: |
| LINE OF BUSINESS: <input type="checkbox"/> Specialty Waiver (B/C) <input type="checkbox"/> I Waiver <input type="checkbox"/> Healthy Michigan <input type="checkbox"/> SUD Medicaid <input type="checkbox"/> SUD Community Grant <input checked="" type="checkbox"/> MI Health Link <input type="checkbox"/> OTHER: _____ | | APPLICATION: <input checked="" type="checkbox"/> SWMBH Staff and Ops <input checked="" type="checkbox"/> Participant CMHSPs <input checked="" type="checkbox"/> SUD Providers <input checked="" type="checkbox"/> MH / DD providers <input checked="" type="checkbox"/> DD providers <input type="checkbox"/> Other: _____ | Last Revised Date: 4/13/16 | Past Revised Dates: |
| Approved: <u>Mila C. Jodd</u> Date: <u>4-18-2016</u> | | | Required Reviewer: Chief Compliance and Privacy Officer | |

I. Purpose

The purpose of this Policy is to ensure overpayments to providers and suppliers of services under Parts A and B of title XVIII of the Social Security Act are reported and returned in a timely manner and in accordance with applicable laws and regulations.

II. Policy

A person that has received an overpayment must report, in writing, the reason for the overpayment, and return the overpayment to Southwest Michigan Behavioral Health (SWMBH) within sixty (60) days after the date on which the overpayment was identified. The sixty (60) day requirement applies unless the deadline for returning overpayments is suspended under an applicable law or regulation.

III. Standards and Guidelines

- A. A person has identified an overpayment when the person has, or should have through the exercise of reasonable diligence, determined that the person has received an overpayment and quantified the amount of the overpayment. A person should have determined that the person received an overpayment and quantified the amount of the overpayment if the person fails to exercise reasonable diligence and the person in fact received an overpayment.
- B. A person must use an applicable claims adjustment, credit balance, self-reported refund, or other reporting process to report an overpayment, except as otherwise allowed by

SWMBH Operating Policy 10.22

applicable laws and regulations. If the person calculates the overpayment amount using a statistical sampling methodology, the person must describe the statistically valid sampling and extrapolation methodology in the report.

- C. An overpayment must be reported and returned in accordance with this policy if a person identifies the overpayment within six (6) years of the date the overpayment was received.
- D. This policy applies to Medicare program funds. For information regarding the reporting and returning of overpayments of Medicaid funds, see SWMBH Operating Policy 9.2.

IV. Definitions

- A. **Overpayment** means any funds that a person has received or retained under title XVIII of the Social Security Act, to which the person is not entitled under such title.
- B. **Person** means a provider (as defined in 42 CFR §400.202) or a supplier (as defined in 42 CFR §400.202).

V. References

- A. 42 CFR §400.202
- B. 42 CFR §401.301 – §401.305
- C. Social Security Act
- D. SWMBH Operating Policy 9.2

VI. Attachments

NONE