network health

n05746

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 related to claims audit findings.

This policy is not applicable to the following payment policies or claim submissions:

- Coordination of benefit (COB) claims
- Corrected claims
- Provider disputes or appeals
- Subrogation claims

Please refer to the *Related Policies* section for additional information.

Policy Detail:

I. <u>Medicare Advantage Process</u>

A. Consistent with Chapter 34 of the Medicare Claims Processing Manual, Network Health will not process claims beyond twelve (12) months from the original remittance advice. Exceptions to the 12-month look back period are:
   1. Compliance with all applicable Medicare laws, regulations, and instructions from the Centers for Medicare & Medicaid Services (CMS)
   2. Errors discovered by any State or Federal agency
   3. Fraud or clinical errors

B. Network Health will correct provider overpayments and/or underpayments within twelve (12) months of the original remittance advice date when each of the following apply:
   1. Either the provider notifies Network Health of an overpayment and/or underpayment, or Network Health identifies an overpayment and/or underpayment within twelve (12) months of the original remittance advice date.
   2. The overpayment and/or underpayment was the result of an internal error during claims adjudication.

II. <u>Commercial Process</u>

A. Network Health will correct provider overpayments and/or underpayments within twelve (12) months of the original remittance advice date when each of the following apply:
   1. Either the provider notifies Network Health of an overpayment and/or underpayment, or Network Health identifies an overpayment and/or underpayment within twelve (12) months of the original remittance advice date.
   2 The overpayment and/or underpayment was the result of an internal error during claims adjudication.

III. Time limitations shall not apply if the overpayment is due to fraud, waste, or abuse.

IV. Network Health will not correct provider overpayment and/or underpayments when the provider requests the payment correction more than twelve (12) months after the original remittance advice date. **No exceptions**.

V. 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.

Related Policies:
Claim Submission Policy
Coordination of Benefits Policy
Outstanding Overpayment Policy
Provider Dispute Policy
Subrogation Policy
Workers' Compensation Policy

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

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