



DEPARTMENT: Compliance	POLICY DESCRIPTION: Refunding Overpayments from Federal Healthcare Programs
PAGE: : Page 1 of 2	POLICY #: CIA-07
REVISION DATES:	EFFECTIVE DATE: March 13, 2020

SCOPE

This policy is applicable to all company affiliated Centers and employees.

PURPOSE

To establish a process for identifying, quantifying, and repaying an Overpayment from a Federal healthcare program.

DEFINITIONS

Overpayment – Funds that Diversicare receives or retains under any Federal healthcare program to which Diversicare, after applicable reconciliation, is not entitled under such Federal healthcare program.

Identification – The period of time when a provider has or should have through reasonable diligence quantified the Overpayment. This period of reasonable diligence should take no more than 6 months from receipt of credible information that an Overpayment has occurred.

POLICY

All Overpayments are to be reported and returned to the appropriate Medicare Administrative Contractor or state Medicaid Agency within 60 days of Identification of the Overpayment.

PROCEDURE

- A. Anyone who becomes aware of a potential Overpayment, other than routine processing errors, should report the potential Overpayment to the Center Administrator who must then inform the Chief Compliance Officer.
- B. Routine processing errors should be repaid immediately upon discovery and the situation should be reported to the Business Office Manager at the Center.
- C. For other than routine processing errors, the Chief Compliance Officer will work with the Chief Legal Officer and others as needed to determine with reasonable diligence if an Overpayment exists. The process of quantification of the Overpayment should take no longer than six months.
- D. The Chief Compliance Officer, in consultation with the Chief Legal Officer, will direct the facility regarding the manner in which to refund the Overpayment. Methods of repayment include: an applicable claims adjustment, credit balance, self-reported refund, or other appropriate existing process to satisfy the reporting and repayment obligations.

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PAGE: : Page 2 of 2	POLICY #: CIA-07
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- E. All Overpayments refunded must be tracked and logged by the Chief Compliance Officer or designee. The tracking should include the date of the credible evidence of an Overpayment, the Overpayment amount, the method of repayment, the date of repayment, and the name of the Medicare Administrative Contractor to whom the repayment was made.
- F. Any Overpayment identified by the Independent Review Organization relating to required claims reviews under the Corporate Integrity Agreement should be handled in accordance with the requirements of the CIA. This process will be coordinated by the Chief Compliance Officer or designee.
- G. All documentation regarding the investigation into and the resolution of the potential Overpayment must be maintained for a minimum of six years, or longer if required by law.

REFERENCES

Corporate Integrity Agreement