{Insert Organization}

**OVERPAYMENT POLICY – COMMERCIAL INSURANCE CARRIERS**

**Purpose**: To provide a mechanism for processing overpayments received from a commercial insurance carrier.

**Policy**: Indentified commercial insurance overpayments shall be promptly processed as per the contractual agreements.

**Procedures**

1. When overpayment is identified, the Reimbursement Coordinator (“RC”) will research for accuracy and confirm the overpayment amount within 10 business days of identification.
2. Once confirmed, the RC will place the refund information on the Overpayment Spreadsheet with supporting documents based on {Insert Organization}’s policy for that month.
3. Each week the Overpayment spreadsheet will be presented to the Finance Director/Manager for approval.
4. Once approved, the Finance Director/Manager will make the monetary transfer from the Operating account to the Overpayment account, unless the commercial insurance contract dictates otherwise. In that case, the overpayment will be refunded to the Health Plan based on {Insert Organization} contractual terms.
5. If there are no contractual terms related to the over payment, the Finance Director/Manager will then return the approved Overpayment spreadsheet to the RC.
6. The RC will then make the necessary adjustments to each patient account along with a note documenting the adjustment.

**Recoupment Scenario**

1. When a recoupment of the overpayment occurs, the payment poster will reverse the adjustment.
2. The payment poster will then notify the RC that the recoupment has occurred.
3. The RC will notate the Overpayment spreadsheet that the recoupment has taken place.
4. The RC will notify the Finance Director/Manager of the recoupment dollar amount in order that the monies can be transferred from the Overpayment account to the Operational account.
5. The Finance Director/Manager will transfer the money.

**Refund Scenario**

1. When a refund request is received, the RC will research for accuracy and confirm the dollar amount requested.
2. If it is determined that the request is valid, the RC will complete a refund request form and submit along with the supporting documentation to the Finance Director/Manager for approval.
3. Once approved, the Finance Director/Manager will print the refund check from the Overpayment account within 10 business days.
4. The Finance Director/Manager will forward the refund check and supporting documentation to the RC for posting to the patient account.
5. Once posted, the RC will mail the refund check and supporting documentation to the carrier.
6. This process shall be completed within 30 days of the original request.

**Monies Left Unrequested**

1. Each February the spreadsheet for the previous year (i.e. February 2015, January 2014) will be forwarded to the Finance Director/Manager in order that all unrequested monies for that period of time are transferred from the Overpayment account into the Operations account.
2. The process shall be completed quarterly.

|  |  |  |
| --- | --- | --- |
| {Insert Organization} | **Policy and Procedure Manual** |  **Revised Date:** |
| **Original Date:** |
| **Policy Number:** | **Subject:** | **Approved By:** |
| **Over Payment Policy-Commercial Insurance Carrier** |