

	Policy No.: 306	Signature: 	
	Created: 1/2000	Reviewed: 5/2018	Revised: 6/2015

## OVERPAYMENTS AND REFUNDS

### SCOPE:

All Envision Physician Services colleagues associated with the billing and coding process. For purposes of this policy, all references to “colleague” or “colleagues” include temporary, part-time and full-time employees, independent contractors, clinicians, officers and directors.

### PURPOSE:

For Envision Physician Services and its subsidiaries (the “Company”) to ensure that unidentified funds are refunded, guarantee that all overpayments are refunded and relinquish to the appropriate party (pursuant to the applicable escheat laws) funds that can neither be identified nor refunded.

### POLICY:

#### *Unidentified Payments*

Upon receipt, unidentified payments will be placed in a suspended status. All unidentified payments (e.g., payments that cannot be credited to an account because of missing or unknown information) will either be identified or placed into a refund status within 180 days of their receipt. During this period, Company representatives will diligently attempt to gather the information necessary to apply the payment to the appropriate account. When the Company becomes aware of the necessary information needed to identify a payment, it will immediately credit it to the proper account. If within 180 days, the payment is not yet identified, it will be transferred into a refund status, and refunded pursuant to the overpayment and unidentified procedures discussed below. Exceptions to the 180 day deadline will be made on a case-by-case basis.

#### *Overpayments*

An overpayment is any fund that an entity receives or retains to which the entity is not entitled. Examples include payment for non-covered services; payments greater than the allowable amount; and when the amount is made by a payor as the primary insurance carrier when, in fact, the payor should have paid secondary to another payment source.

All overpayments (e.g., payments received from the Government, a private insurer or the patient that exceeds the total amount due) will be refunded to the appropriate party as soon as possible.

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All refunds to Government payors must be made within sixty days of receipt of either the payment or transfer of the payment from the unidentified payments suspend status, if appropriate. All refunds to private insurers and/or patients must be made within sixty days of receipt of either the payment or transfer of the payment from the unidentified payments to suspense status. If a payor prefers to offset a refund, instead of refunding a check that refund will go in a held status to be offset on a future remit.

*Escheated Funds*

Whenever the Company, despite its diligence, is unable to determine the proper application of unidentified payments, or to whom or where to refund an overpayment or unidentified payment, it will place the payment or balance in a “held refund” status. The Company will relinquish these “held refunds” to the appropriate party pursuant to the applicable escheat laws. Additionally, any funds resulting from uncashed refund checks will be relinquished to the appropriate party pursuant to the appropriate escheat laws.

**PROCEDURES:**

- The Company’s Chief Compliance Officer will ensure that external billing companies and subsidiaries that handle billings for services provided by the Company’s colleagues have written policies for overpayment and unidentified refunds that meet or exceed the requirements of this policy.
- The Company will diligently investigate all unidentified payments to determine how these payments are to be applied.
- If, after diligent efforts, the Company and its billing companies are unable to determine how to apply unidentified payments, it will transfer the payments to be refunded (if the Company knows to whom and to where they should be refunded) or to be escheated to the appropriate party. The Company will retain unidentified payments in the suspense account beyond 180 days only if a Company representative specifically determines that the payment is likely to be identified.
- The Company will refund all overpayments and unidentified payments. The Company will use its best efforts to return all overpayments and unidentified payments in sixty days or less from the time that the Company has identified the payor.
- The Company will not intentionally bill more than one payor as the primary payor for the same service. Nor will it bill the same payor more than once for the same service.

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- The Company will maintain an edit in the coding system designed to prevent billing twice for the same services provided to the same patient on the same day.
- Any overpayments resulting from duplicate billings or payments will be refunded in accordance with this policy.
- If the Company is unable to refund an unidentified payment or secure the identity of the payor, (either because the Company does not know the payor’s address, or the payor returns a refund to the Company, or for any other reason) it will place the payment or balance in a “held refund” status. According to the applicable escheat laws, the Company will periodically relinquish “held funds” to the appropriate party.
- A Company operations manager or designee will review, on a quarterly basis, a report listing all unidentified payments and the date of their receipt. The manager or designee will verify that these unidentified payments are being processed in accordance with this policy.
- A Company operations manager or designee will review, on a quarterly basis, a report showing all overpayments over \$500. Any overpayment where the payor name or address varies from the payor refund name and address will also be reviewed quarterly along with unidentified payments refunded in the prior quarter, to ensure that the Company refunded these overpayments in accordance with this policy.
- A Company operations manager or designee will review, on an annual basis, a report listing all “held refunds” to ensure that the Company is relinquishing those “held refunds” to the appropriate party, pursuant to the applicable escheat laws.
- The Company’s compliance officer or designee will review, on an annual basis, the Company operations manager or designee’s periodic reviews.

## **POLICY REVIEW**

The Ethics & Compliance Department will review and update this Policy and all HIPAA policies when necessary in the normal course of its review of the Corporate Ethics & Compliance Program.