



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Medical Assistance
600 Washington Street
Boston, MA 02111

MassHealth
All Provider Bulletin 112
December 2000

TO: All Providers Participating in MassHealth
FROM: Wendy E. Warring, Commissioner
RE: **Overpayment Policy**

Background

Providers participating in the MassHealth program are required to return overpayments to the Division within 60 days of their receipt.

Overpayments are payments you receive from MassHealth to which you are not entitled. For example, an overpayment occurs if you have received payment for a claim that has been paid to your provider number in error, paid for the wrong member, or paid in full or in part by another insurer (for example: Medicare, private insurance, or Worker's Compensation). Refer to 130 CMR 450.235 for additional information regarding types of overpayments.

**Administrative
Fines for Failure
to Comply**

The Division may impose administrative fines against providers who do not return overpayments classified as credit balance funds within 60 days of their receipt (see 130 CMR 450.238). To avoid such administrative fines, you should routinely conduct periodic reviews of financial records to detect MassHealth overpayments. It is illegal to keep payments to which you are not entitled.

**Administrative
Fine Free
Period**

From the time you receive this bulletin until February 1, 2001, the Division will waive its right to impose fines against a provider who returns an overdue overpayment.

**Returning
Overpayments
to the Division**

Providers must request a void in order to return the full payment when an overpayment has occurred. Do not send checks.

To request a void, circle the claim line to be voided on a photocopy of the remittance advice. Send the photocopy to the following address with a signed letter indicating the reason you are requesting the void.

Unisys
Attention: Voids
P.O. Box 9105
Somerville, MA 02145

***Returning
Overpayments
to the Division
(cont.)***

After the void has been processed, the remittance advice will display a negative amount owed to the Division for that claim. This amount will be deducted from future payments until the full amount of the void has been recovered.

***Returning Partial
Overpayments
to the Division***

If you would like to return a partial overpayment of a claim to the Division, submit an adjusted claim according to section 5.6 of your billing instructions. The Division must have complete and accurate information, as outlined in these instructions, to correctly adjust your payment history. Helping the Division maintain a correct claims history will benefit you particularly during audits and record reviews.

Submit your adjusted claim to the following address.

Unisys
Attention: Adjustments
P.O. Box 9105
Somerville, MA 02145

Cover Letter

To ensure that these overpayments are not assessed a fine, include a cover letter with your voids or adjustments that includes:

- a statement that you are returning these overpayments in response to All Provider Bulletin 112;.
 - the reason for the overpayments; and
 - if you know that these claims are under current inquiry by any government agency or contractor, information about the nature of the inquiry and the name of the agency or contractor.
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Questions

Contact MassHealth Provider Services at (617) 628-4141 or 1-800-325-5231 with any questions you have about this bulletin.
