

Overpayment Adjustment Guidelines

An overpayment is an amount paid by Medica to a provider that exceeds the negotiated reimbursement rates agreed to in accordance with the provider participation agreement and the member's benefit plan. Examples of overpayments include, but are not limited to: (1) provider billing or claims processing errors, (2) duplicate payment for the same service, (3) payments for health services planned but not performed or for non-covered health services, (4) changes due to a member's eligibility including coordination of benefits.

Type of Overpayment	Time Frame Overpayment Can Be Recovered*	Does this Time Frame Apply for:		
		Network Providers	Out-of-Network Providers	Optum™ Recovery Service (Medica Credit Balance Vendor)
Medica paid as primary and should be secondary	12 months from paid date	Yes - applies	Yes - applies	Yes - applies
Duplicate payments	18 months from paid date	Yes - applies	Yes - applies	Yes - applies
Medicare Paid in Error-70xxx Groups	Unlimited time frame	Yes - applies	Yes - applies	Not applicable
Medica initiated overpayment adjustment	12 months from paid date	Yes - applies	Letter sent requesting the overpaid amount back.	Yes - applies
Medica and provider initiated adjustment and goes into negative payee status	12 months from paid date for Medica; Unlimited time frame for provider	Yes - applies	Yes - applies	Yes - applies
Provider initiated adjustments for any overpayment amount.	Unlimited time frame	Yes - applies	Yes - applies	Yes - applies
Retro member terminations	12 months from paid date	Yes - applies	Yes - applies	Yes - applies
Subrogation	Subject to state and federal regulations	Yes - applies	Yes - applies	Yes - applies
Fraud and abuse	Subject to state and federal regulations	Yes - applies	Yes - applies	N/A

*These time frames apply unless superseded by sub-regulatory guidance or state statute, regulation or code.