Policy Name:	**Recovery of Provider Overpayments Due Blue Cross and Blue Shield of Illinois (BCBSIL)**
Policy Number:	Administrative 03
Effective Date:	10/01/04
Revision Date:	**08/01/2021** **Review Date: 08/01/2022**

Approval Signature

(signature)

DSVP, IL Health Care Delivery

Line of Business

Commercial	Exchange	Government
☒ HMO	☒ HMO	☐ HMO
☒ PPO	☒ PPO	☐ PPO

Approving Body

☒   Policy and Procedure Committee   Date: 7/28/2022

Details

Policy:

The Payment Recovery Program (PRP) allows Blue Cross and Blue Shield of Illinois (BCBSIL) to recover overpayments made to BCBSIL contracting facilities and contracting professional providers in the Commercial HMO Illinois, Blue Advantage HMO, BlueChoice, PPO and Exchange products Blue Precision HMO, BlueCare Direct, Blue FocusCare, PPO Exchange and Medical Assistance Purchase Plan (MAPP) when BCBSIL has determined that payment errors have occurred. Overpayments may be identified by BCBSIL and/or the provider. Examples of overpayment reasons include but are not limited to:

- Claim was paid incorrectly, as per the provider's contract
- Provider posted a credit for supplies or services not rendered
- Provider cancelled charge for any reason
- Coordination of Benefits (COB) Credit or Duplicate Payment received by provider
- "Not our Patient"—Payment received by provider that did not render services
- Medicare Eligible or Workers Compensation payment already received

Purpose:

To facilitate the recovery of overpayments due BCBSIL.

Procedure:

A. The following refund request process is used when an overpayment is identified by BCBSIL:

1. A refund request letter is sent to the provider (payee) explaining the reason for the refund. Request for claim refund (RFCR) letters include a remittance form and return envelope. Electronic Refund Management (ERM) providers have the option to receive overpayment notifications via email.
2. If a response is not received from the payee, a follow-up letter/email is sent asking for payment.
3. If a telephone, written or email response is not received, or if the amount of the overpayment is not returned within 90 calendar days from the date of the follow-up letter, BCBSIL will recover the overpayment by offsetting current claims payments by the amount due.
4. Under BCBSIL's overpayment recovery process, for contracting providers, BCBSIL calculates the total amount owed to the provider on each individual covered claim for a particular time period and then reduces that total amount owed to the provider by the amount of the outstanding overpayments that the provider has not already returned to us in a timely fashion. This offsetting technique may involve claims for Administrative Services Only (ASO) clients and insured clients.
5. Details regarding the specific overpaid patient account, amount recovered, and overpayment reason will appear on the Electronic Payment Summary (EPS) or paper Provider Claim Summary (PCS), as well as the Electronic Remittance Advice (ERA). If applicable, a summary will appear on the Uniform Payment Program (UPP) Monthly Statement. For examples of how the overpayment will display, refer to the Billing and Reimbursement section of the BCBSIL Provider Manual, which is located under the Standards and Requirements tab at bcbsil.com/provider.

B. The following process is used to submit a refund to BCBSIL:

1. Online – Electronic Refund Management (ERM)

   Providers can electronically submit refunds to BCBSIL using the Electronic Refund Management (ERM) tool. Refund requests can be reviewed and responded to in real time. Non-UPP providers have the option to refund BCBSIL by check or by letting BCBSIL deduct the dollars from a future claim payment. For UPP providers, the dollars will be deducted from future payments. If a provider identifies a credit balance the request may be submitted online. The refund payment can be submitted by check or deducted from future payments.

   Note: Prior to accessing ERM, the provider must be registered with Availity™
   - For Availity registration information, visit availity.com, or call Availity Client Services at 800-AVAILITY (282-4548).

2. Manual (Paper) Refund Process

   Providers without online access may submit refunds to BCBSIL by mail. A Provider Refund Form must be submitted with payment to BCBSIL, PO Box 94075, Palatine, IL 60094-4075. The Provider Refund Form is available in the Education and Reference Center/Forms section of the BCBSIL Provider website at bcbsil.com/provider.

Questions or concerns about this policy should be directed to the assigned Provider Network Consultant.