

5.5 Overpayment Recovery Appeals Process

Senior Health Partners periodically reviews payments made to providers to ensure the accuracy of the claim payments pursuant to the terms of the provider contracts, or as part of its continuing utilization review and fraud control programs. In doing so, Senior Health Partners may identify instances when we have overpaid a provider for certain services. When this happens, Senior Health Partners provides notice to the provider and recoups the overpayment consistent with Section 3224-b of the New York State Insurance Law.

Senior Health Partners will not pursue overpayment recovery efforts for claims older than 24 (twenty-four) months after the date of the original payment to a provider unless the overpayment is (1) based upon a reasonable belief of fraud, intentional misconduct, or abusive billing; (2) required by or initiated at the request of a self-insured plan; or (3) required by a state or federal government program. The above restrictions shall not apply to any overpayment recovery efforts made by Senior Health Partners prior to January 1, 2007 when notice has been provided to the provider of such recovery efforts.

In addition, we may at times apply the procedures described in this section in order to recoup duplication claims payments but reserve the right to use other procedures to do so. In addition, if a provider asserts that Senior Health Partners has underpaid any claim(s) to a provider, Senior Health Partners may offset any underpayments that may be owed against past overpayments made by Senior Health Partners dating as far back as the claimed underpayment.

We Will Provide Notice of Overpayments Before We Seek Recovery

If Senior Health Partners has determined that an overpayment has occurred, Senior Health Partners will provide 60 (sixty) days written notice to the provider of the overpayment and request repayment. This notice will include the member's name, service dates, payment amounts, proposed adjustments, and a reasonably specific explanation of the reason for the overpayment and the proposed adjustment. In response to this notice, the provider may dispute the finding or remit payment, as outlined below.

If You Agree That We Have Overpaid You

Upon the receipt of a request for repayment, providers may voluntarily submit a refund check made payable to Senior Health Partners within 60 (sixty) days from the date the overpayment notice was mailed by Senior Health Partners. Providers should further include a statement in writing regarding the purpose of the refund check to ensure the proper recording and timely processing of the refund.

If You Disagree That We Have Overpaid You

If a provider disagrees with Senior Health Partners' determination concerning **the overpayment, the provider must submit a written request for an appeal within 60 (sixty) days from the date the overpayment notice was mailed by Senior Health Partners** and include all supporting documentation in accordance with the provider appeal procedure described in Section 5.4. If, upon reviewing all supporting documentation submitted by a provider, Senior Health Partners determines that the overpayment determination should be upheld, providers may initiate arbitration pursuant to their provider agreement. Senior Health Partners **will proceed to offset the amount of the overpayment prior to the final determination made pursuant to appeal for reconsideration**

If You Fail to Respond to Our Notice of Overpayments

If a provider fails to dispute a request for repayment concerning an overpayment determination made by Senior Health Partners within 60 (sixty) days from the date the overpayment notice was mailed by Senior Health Partners, the provider is deemed to have acknowledged and accepted the amount demanded by Senior Health Partners and, subject to the provider's right to arbitration pursuant to the provider agreement, Senior Health Partners will offset the amount outstanding against current and future claim remittance(s) until the full amount is recovered by Senior Health Partners.

If an Offset Results in a Negative Balance

If an overpayment offset results in a negative balance to the provider's account, the provider will not receive an explanation of payment until the entire offset amount has been recovered. The provider will receive a

weekly negative balance letter that states the current negative amount and any claim activity that has taken place since the check cycle period. Once the entire negative amount has been recovered, the provider will resume receiving explanation of payments.