



The Arc Mid-Hudson
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POLICY STATEMENT

Topic: Self- Disclosures Date Effective: 7/1/2019

Revised New Section: Corporate Compliance Number: 10.17

Date: 3/25/2023 Approved by: 

POLICY

The purpose of this policy is to establish the process for the identification and timely reporting and return of identified overpayments as required under Section 6402 of the Federal Patient Protection and Affordable Care Act (PPACA) and Social Services Law (SOS) 363-d(6).

Effective March 23, 2010, PPACA established an obligation for providers to report and return identified Medicaid or Medicare overpayments. Specifically, an overpayment must be reported and returned within 60 days after the date on which the overpayment was identified or the date any corresponding cost report is due, whichever is later. Overpayments retained beyond the applicable 60 day period can result in the imposition of triple damages and monetary penalties under the False Claims Act if there is a knowing and improper failure to return the overpayment.

“Overpayment” is defined under PPACA as “any funds that a person receives or retains under title XVIII (Medicare) or title XIX (Medicaid) to which the person, after applicable reconciliation, is not entitled under such title”. Overpayments include, but are not limited to findings of incorrect coding, insufficient or lack of documentation to support billed services, lack of medical necessity, or duplicate payment.

SCOPE

This policy applies to overpayments identified during routine compliance monitoring activities including internal audit activities or compliance investigations. This policy also applies to overpayments discovered by other internal or external sources where the overpayment has been verified and confirmed by The Arc Mid-Hudson (“Arc Mid-Hudson”).

PROCEDURE

A. Process for Identifying Overpayments

1. All persons who are affected by Arc Mid-Hudson's risk areas, including employees, the chief executive and other senior administrators, managers, contractors, agents, subcontractors, independent contractors, and governing body and corporate officers (referred to herein as "Affected Individuals") who have reason to suspect Arc Mid-Hudson may have received reimbursement it should not have received must immediately report the reasons for this suspicion to the Compliance Officer.
2. All reasonably suspected overpayments will be carefully investigated, beginning immediately upon their being reported to the Compliance Officer.
3. An overpayment for purposes of this policy is considered being "identified" when Arc Mid-Hudson is reasonably certain that an overpayment has occurred and is reasonably certain of the overpayment amount (quantified).
4. The amount of the overpayment shall be calculated, reported, and explained not more than 60 days after the overpayment is identified as noted above, and repaid as dictated by the oversight entity.

B. Process to Report and Return Overpayments

1. Medicaid. Self-disclosure guidance issued by the New York State Office of the Medicaid Inspector General (OMIG) effective December 28, 2022 states providers are required to report, return, and explain any overpayments they have received.
 - a) Self-disclosure. If an overpayment is identified, the overpayment must be submitted following the process identified by the OMIG.ⁱ Depending on the scope of the problem and the amount of the overpayment, Arc Mid-Hudson may consult with legal counsel before submitting a self-disclosure. The Arc New York state office compliance staff must be notified of any self-disclosures made by Arc Mid-Hudson.
 - b) Voids/Adjustments. If it is determined that the overpayment was the result of a clerical or other minor error, the overpayment may be returned via an existing claim void/adjustment process in addition to the self-disclosure.
2. Medicare. Medicare overpayments shall be returned to the Medicare Contractor that paid the claim at the address identified by the Contractor, or by any other means required by Medicare.
3. Other Payers. Overpayments from other payers shall be returned in the manner and at the address specified by the payer.

ⁱ Overpayments identified in connection with an OPTS contract must be processed through either the local DDSO or OPWDD.