

07.08.2021 MCO Notice: Implementation Deadline for Provider Recoupment Policy

Background: On May 13, 2021, HHSC published the MCO Notice, "Due Process Procedures for Recoupment of Overpayments Based on Certain Texas Government Codes." The May 13 notice describes the process an MCO must follow to recoup an overpayment made to a health care provider related to missing electronic visit verification (EVV) information; and the due process procedures an MCO must follow when engaging in recoupment efforts related to fraud or abuse.

This new guidance makes clarifications to the May 13 MCO notice and adds a deliverable.

Action: MCOs must implement the new processes and procedures for provider recoupments as described in the May 13, 2021 MCO notice **no later than Aug. 15, 2021.**

Key Details: Effective August 15th, 2021, Parkland Community Health Plan (PCHP) has a new policy titled **SIU Overpayment Recovery and Appeal** which outlines the processes for the PCHP Special Investigations Unit (SIU) recovery of funds due to FWA and provider appeals.

Policy: It is the policy of Parkland Community Health Plan (PCHP) to establish and maintain a SIU to investigate possible acts of Fraud, Waste, or Abuse (FWA) for all services provided by PCHP or our subcontractors within the Texas Medicaid program. The SIU may pursue recovery of overpayments directly from providers once an investigation confirms a verified paid loss from fraud, waste, or abuse. A provider flag may be placed by a SIU investigator (following confirmation of a credible allegation) which triggers pre-payment claims review and/or denial if warranted to prevent losses due to fraud.

Process: If PCHP's SIU determines loss/overpayment has occurred, a Recovery Letter will be sent to the provider and include provider education of all issues identified during the Provider Full-Scale Investigation.

The Recover letter will include the following:

1. a description of the basis for the intended recoupment;
2. that PCHP must receive a response to the notice from the provider or FMSA no later than the 30th day after the date the provider or FMSA receives the written notice, if the provider or FMSA intends to respond;
 - During the thirty (30) day timeframe the provider may submit any additional medical records related to the medical records requested and reviewed by PCHP and/or additional documents or information and request the additional records be considered in recalculation of the recovery amount.
3. the process by which the provider or FMSA should communicate with and send information to related to the basis of the intended recoupment;
4. the provider's or FMSA's option to seek an informal resolution with PCHP of the intended recoupment; and
5. PCHP's process for the provider or FMSA to appeal the intended recoupment.

If you would like a copy of PCHP's **SIU Overpayment Recovery and Appeal policy**, please contact your Provider Business Consultant.