

December 2013

Dear Provider:

You are receiving this letter because a Medicare refund is owed to you.

This past summer CMS initiated recoveries from providers and suppliers based on data that indicated a beneficiary was incarcerated or in custody under a penal statute or rule on the date of service. As you may know Medicare will generally not pay for medical items and services furnished to a beneficiary who was incarcerated or in custody at the time items and services were furnished. For these recoveries, CMS identified previously paid claims that contained a date of service that partially or fully overlapped a period when a beneficiary was apparently incarcerated based on information from the Social Security Administration (SSA). However, CMS later learned that the information was, in many cases, incomplete for purposes of initiated recoveries. As a result, a number of overpayments were incorrectly identified. In some cases demand letters were issued with appeals instructions, and, in many cases collections of incorrectly identified overpayments were made by CMS. CMS is issuing refunds for the collections made on the incorrectly identified overpayments.

Because of the timing of reprocessing these claims and the complexities of the impacted financial systems, CMS is suppressing the remittance advices and Medicare Summary Notices for these reprocessed claims.

To assist you in identifying the claims reprocessed and amounts paid or refunded on these claims we have attached a spreadsheet with claim level details. In some cases, the refund amount may include the claim repayment amount plus erroneous interest that was assessed incorrectly on the erroneous overpayment. Descriptors for each field are included in the spreadsheet.

Please note that the refund amount in the spreadsheet is subject to normal claims processing procedures. The refund when processed by CMS may be used to offset or recoup against any outstanding overpayments. If this occurs, it will be reflected on the remittance advice for those claims where the offset was applied.

Please note that this spreadsheet does not include any claims that are in appeal status. Appeals will be handled via normal processes. In addition, there are certain circumstances where additional intervention may be needed on individual claims; those claims will be handled at a later date.

If you disagree with the claim repayment amount or refund amount in the spreadsheet and wish to file an appeal, you should file a request for redetermination with:

[Insert MAC information and address for filing an appeal]

Please include a copy of this letter with your request. For additional information on how to file an appeal, please refer to the following link: <http://www.cms.gov/Medicare/Appeals-and-Grievances/OrgMedFFSAppeals/RedeterminationbyaMedicareContractor.html>.

Questions on the information contained in this letter should be directed to [Insert MAC contact information].