

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-06 Medicare Financial Management</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 12261</b>	<b>Date: September 22, 2023</b>
	<b>Change Request 11262</b>

**Transmittal 12236 issued September 9, 2023, is being rescinded and replaced by Transmittal 12261, dated September 22, 2023, to update section 200.3.1 in the manual instruction. All other information remains the same.**

**SUBJECT: Updating Overpayment Manual, Chapter 3, Sections 200.2.6-200.4.7, Limitation on Recoupment**

**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to address publication 100.06, chapter 3, Overpayments, sections 200.2.6 - 200.4.7. The manual instructs contractors the process on Extended Repayment Schedule and updated instructions for the Redeterminations and Reconsideration requests.

**EFFECTIVE DATE: December 11, 2023**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: December 11, 2023**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
R	3/200/Table of Contents
N	3/200/2.6/Extended Repayment Schedules (ERS) with an Overpayment Subject to Limitation on Recoupment
R	200/3.1/Outcome from the Redetermination Decision
R	200/4/What to Do After the Validated Reconsideration is Received
N	200/4.1/Actions to Take Upon Receiving a Qualified Independent Contractor (QIC) Notification
N	200/4.2/The Reconsideration Receipt Notice Example
N	200/4.3/Actions to Take after the Reconsideration Decision
N	200/4.4/Recoupment Timeframes and Reconsideration Notices after Decision
N	200/4.5/Reconsideration Notice/Revised Demand Letters
N	200/4.6/Recoupment on Dismissals
N	200/4.7/QIC Remands on Dismissals

### **III. FUNDING:**

#### **For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

### **IV. ATTACHMENTS:**

**Business Requirements  
Manual Instruction**

# Attachment - Business Requirements

Pub. 100-06	Transmittal: 12261	Date: September 22, 2023	Change Request: 11262
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## I. GENERAL INFORMATION

**A. Background:** The statute required CMS to change the way it recoups certain overpayments. This effects the limitations on the recoupment of Medicare overpayments during the Redetermination (first level) and Reconsideration (second level) levels of appeal only. The provider is afforded the ability to voluntarily elect during this time period, a request for an Extended Repayment Schedule (ERS) in lieu of an appeal, or elect to have the overpayment be collected through an immediate recoupment. This section provides protection to Providers during the initial stages of the appeal process. However, after the first two levels of appeal are completed, the contractor shall resume recoupment and normal debt collection processes. Unless an ERS is established, the contractor must initiate or resume recoupment at 100 percent after the second level of appeal regardless of any subsequent appeals filed by the provider such as the third level, the Administrative Law Judge, or subsequent levels, Department Appeals Board or Federal Court. The contractor shall continue to recoup at 100 percent until the debt is satisfied in full.

**B. Policy:** Section 1893(f)(2)(a) of the Social Security Act and the provision in the Medicare Prescription Drug, Improvement and Modernization Act of 2003 prohibits recouping Medicare overpayments from a provider or supplier that seeks a reconsideration from a QIC. This provision changed our obligation to pay interest to a provider or supplier whose overpayment is reversed at subsequent administrative or judicial levels of appeal. The final rule defines the overpayments to which the limitation applies and the changes to the recoupment and interest work in tandem with Medicare fee-for-service claims appeals process.

## II. BUSINESS REQUIREMENTS TABLE

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
11262.1	Contractors shall send a notice to the provider explaining if they do not resume its ERS payments they may be placed on recoupment when there is no appeal status in place according to IOM 100.6	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	chapter 4 §50.									
11262.2	Contractors shall follow the appropriate actions below following the notification of a Redetermination decision.	X	X	X	X					
11262.2.1	Contractors shall perform the following steps after the Fully and Partially Favorable Decisions: <ul style="list-style-type: none"> <li>Effectuate the decision, which consists of a claims history adjustment correction in the internal system (FISS, MCS, and VMS).</li> </ul>	X	X	X	X					
11262.2.1.1	Contractors shall create a manual invoice in the Healthcare Integrated General Ledger System (HIGLAS) when there is an excess amount remaining.	X	X	X	X					
11262.2.1.2	Contractors shall send a Revise Overpayment Demand Letter. <p>a. There may be situations when a Fully Favorable decision outcome creates a remaining balance.</p> <p>1. If this occurs Contractors shall need to send a Revised Overpayment Demand Letter to address this action.</p> <p>b. For Fully Favorable decisions without an open balance remaining, the Remittance Advice (RA) shall be acceptable in place of additional written notices.</p>	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
11262.2.1.3	<p>Contractors shall :</p> <p>1. Recalculate the overpayment and refund the remaining excess amounts to providers within 30 calendar days from the finalized claim adjustment date.</p> <p><b>Note:</b> With the exception of extrapolations, the timeframe is 30 calendar days from the receipt of the recalculation amounts. The process is once the appeal decision is received, the decision and claim information is sent to the appropriate contractor for the recalculation of the extrapolation. Once this recalculation is received back, the MAC effectuates the decision i.e., adjusting the balance of the AR in HIGLAS, issuing a recalculation letter or issuing a refund as needed.</p> <p><b>Note:</b> For extrapolations, the timeframe is 30 calendar days from the receipt of the Unified Program Integrity Contractor (UPIC) and the Office of the Inspector General (OIG) recalculations.</p> <p>2. Contractors shall not apply any excess funds to other overpayments that are in an appeal status or any other pending status in exclusion such as bankruptcy, suspensions, fraud etc.</p> <p>3. Update the AR Status from the finalized claim</p>	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	<p>adjustment date.</p> <p>4. Create a manual invoice to refund the provider within 30 calendar days from the finalized claim adjustment date.</p> <p>5. Send the Revised Overpayment Demand Letter when the results are fully or partially favorable, and an outstanding balance remains.</p> <p><b>Note:</b> This entire process (1-5) shall be completed within 30 calendar days from the final determination (final claims adjustment) date.</p>									
11262.2.2	<p>Contractors shall perform the following steps after a Fully Unfavorable Decision:</p> <ol style="list-style-type: none"> <li>1. Send the Redetermination Revised Overpayment Demand Letter on <b>open balances only</b> within 30 calendar days from the date of the appeal decision.</li> <li>2. Follow normal collection processes, as outlined in Publication 100.06, Chapters 3 and 4.</li> <li>3. Recoupment begins on day 76 following the AR Status update in HIGLAS.</li> <li>4. Issue the Intent to Refer letter after the Redetermination decisions when appropriate in accordance with Chapter 4, Debt Collection. This does</li> </ol>	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	<p>not apply to any open debts that are in a subsequent level appeal status or other type of pending status of exclusion (i.e., bankruptcy, suspensions, and fraud).</p> <p>5. Contractors shall have the overpayment remain "eligible for internal offset" status until paid in full, received a timely and valid request for reconsideration, or referred to Treasury.</p>									
11262.3	Contractors shall use the letter template below in Exhibit 2 for favorable and unfavorable decisions. If the language in Exhibit 2 does not address the appropriate scenario, contractors shall modify the language to address the overpayment as appropriate.	X	X	X	X					
11262.3.1	Contractors shall use Exhibit 2 options or at their discretion, adjust the language to address the scenario when sending the Redetermination Revised Overpayment Letter.	X	X	X	X					
11262.4	Contractors shall place overpayments in the reconsideration appeal status to avoid further recoupments when validated on or after day 60 from the Redetermination decision date or the Redetermination Revised Overpayment Letter date.	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
11262.4.1	Contractors shall recall debts back to its location when the overpayment was referred to Treasury.	X	X	X	X					
11262.5	<p>Contractors shall utilize the 15 additional calendar days (between 61st day to the 76th day) starting from the redetermination appeal decision date or the Revised Redetermination Overpayment Demand Letter date to address the listing below after the case file requests are received.</p> <ol style="list-style-type: none"> <li>1. The appropriate unit shall continue to update the list for the overpayments recovery unit with Part B case file requests received.</li> <li>2. Review the MAS for updates on the Part A reconsideration updates.</li> <li>3. Update the HIGLAS to the reconsideration appeal status, when appropriate.</li> <li>4. After the appeal status updates (in HIGLAS), send the Reconsideration Receipt Notice to the appellant within eight (8) business days.</li> </ol>	X	X	X	X					
11262.5.1	Contractors shall have internal controls in place to avoid recoupment from starting on day 76.	X	X	X	X					
11262.5.2	Contractors shall contact the QIC only when it becomes necessary to confirm receipt	X	X	X	X					



Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	of an appeal when notified by the provider and the 76th calendar day is approaching.									
11262.5.2.1	<p>Contractors shall confirm:</p> <ol style="list-style-type: none"> <li>1. There is no communication from the QIC for a request of the redetermination case-file for Part B.</li> <li>2. There is no information in the MAS for Part A.</li> <li>3. The Provider submitted a copy of the tracking number from (FedEx, United States Postal Services (USPS), and United Parcel Services (UPS)) and/or a copy of the QIC notification of receipt date for the reconsideration request.</li> </ol>	X	X	X	X					
11262.6	Contractors shall update the appeal status to stop or not start recoupment on Reconsideration requests received on or after day 76. This shall be completed within eight (8) business days from the email receipt date of the Redetermination case file request to the appeals unit or from the receipt date of the submitted reconsideration appeal request in MAS.	X	X	X	X					
11262.6.1	Contractors shall retain and apply any recouped funds collected on or after the 76th calendar day. However, if	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	the request was timely stamped prior to day 76 and recoupment occurred, it is at the Contractors' discretion to refund those funds.									
11262.6.2	<p>Contractors shall accept other legitimate information/sources to support placing the AR in the Appeal status to stop recoupment including:</p> <p>a. Proof of receipt (written notification from the QIC) from the provider that shows the date the QIC received the reconsideration request.</p> <p>b. Any legitimate information from an available and reliable source that can identify the date when the QIC received and/or validated the reconsideration request.</p> <p>c. The tracking validation documentation (e.g., FedEx, United States Postal Service (USPS), and United Parcel Services (UPS)) that reflects the receipt date of the request.</p>	X	X	X	X					
11262.6.3	<p>Contractors shall continue to collect other debts owed by the provider but may not withhold or place in suspense any monies related to the debt(s) in an appeal status.</p> <p>a. Contractors shall report overpayments that are in appeal status on the Treasury Report on</p>	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	Receivables (TROR).  b. Debts continue to age and accrue interest on the outstanding amounts.									
11262.6.4	Contractors shall send a Reconsideration Receipt Notice to the appellant within eight (8) business days from the Reconsideration Appeal status update. Contractors can send this notice via USPS mail or electronically (via email or a secure site).	X	X	X	X					
11262.6.4.1	Contractors shall use the Reconsideration Receipt Notice example provided in Section 200.4.2, Exhibit 3 below. Use the provided language or use your discretion to modify the proposed language as needed to address the overpayment scenario, which include the following:  a. The notice shall have validation language;  b. If there was collection activity, explain that when the overpayment is in an appeal status; recoupment stops during the appeal review process on those overpayments that are not included in an immediate recoupment agreement; or  c. If the provider has an Immediate Recoupment agreement, the notice shall state that the recoupment will continue due to this agreement.	X	X	X	X					
11262.7	Contractors shall perform the following steps for fully	X	X	X	X					



Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	<ul style="list-style-type: none"> <li>There may be situations when a Fully favorable decision outcome creates a remaining balance.</li> <li>If this occurs contractors shall need to send a revised overpayment demand letter to address this action.</li> <li>For fully favorable decisions without an open balance remaining, the Remittance Advice (RA) shall be acceptable in place of additional written notices</li> </ul>									
11262.7.1	<p>Contractors shall:</p> <p>1. Recalculate the overpayment and refund the remaining excess amounts to the provider within 30 calendar days from the finalized claim adjustment date.</p> <ul style="list-style-type: none"> <li>For extrapolations timeframe for completion is 30 calendar days from the receipt of the UPIC and OIG recalculations.</li> </ul> <p>2. Shall not apply any excess funds to other overpayments that are in an appeal status or any other pending status of exclusion (i.e., bankruptcy, suspensions,</p>	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	<p>and fraud).</p> <p>3. Update the AR Status from the finalized claim adjustment date.</p> <p>4. Create a manual invoice to refund the provider.</p> <p>5. Send the Revised Overpayment Demand Letter when the results are Fully or Partially Favorable, and an outstanding balance remains.</p> <ul style="list-style-type: none"> <li>For Fully Favorable decisions without an open balance remaining, the Remittance Advice (RA) shall be acceptable in place of additional written notices</li> </ul> <p><b>Note:</b> This entire process (1-5) shall be completed within 30 calendar days from the final determination (final claims adjustment) date.</p>									
11262.7.2	<p>Contractors shall perform the following steps below after a Reconsideration Fully Unfavorable Decision:</p> <ol style="list-style-type: none"> <li>Send the Reconsideration Revised Overpayment Demand Letter on <b>open balances only</b> within 30 calendar days from the date of the appeal decision.</li> <li>Follow normal collection processes, as outlined in</li> </ol>	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	<p>Publication 100.06, Chapters 3 and 4.</p> <p>3. Recoupment shall begin on day 30 following the AR status update in HIGLAS after receiving notification of the QIC decision or 30 days from the revised overpayment demand letter date.</p> <p>4. Issue the Intent to Refer letter within 60 calendar days from the AR status update, such as (but not limited to) the 935-Reconsideration denied).</p> <p>5. Contractors shall have the overpayment remain "eligible for internal offset" status until paid in full or referred to Treasury.</p>									
11262.8	<p>Contractors shall use the Exhibit 4: Reconsideration Revised Overpayment Demand Letter specified in Chapter 3, Section 200.4.5 or use your discretion to modify the language accordingly, to reflect the outcome of the adjustments to the overpayment.</p> <ul style="list-style-type: none"> <li>This letter states that the providers, physicians and other suppliers have been afforded the opportunity for rebuttal in accordance with requirements of CFR</li> </ul>	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	42 §405.373(2) through §405.375.									
11262.9	<p>Contractors shall perform the following actions following notification of a withdrawal or dismissal:</p> <ol style="list-style-type: none"> <li>1. Update the AR status to remove the appeal status as soon as possible but no later than 30 calendar days from the notification of the withdrawal or dismissal of the appeal.</li> <li>2. Initiate or resume recoupment on the overpayment immediately upon notice of withdrawal of an appeal.</li> <li>3. Initiate or resume recoupment following the dismissal issued date from the QIC.</li> <li>4. Update the AR status to resume recoupment as soon as possible but no later than 30 calendar days from the dismissal notification date.</li> </ol>	X	X	X	X					
11262.10	<p>Contractors shall change the Reconsideration appeal status back to a Redetermination appeal status until a new decision is rendered:</p> <ol style="list-style-type: none"> <li>1. Update the AR status within eight (8) business days from the email receipt date (from appeals) on all</li> </ol>	X	X	X	X					



Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	<p>QIC remand notifications.</p> <p>2. Contractors shall follow the Redetermination instructions specified in Chapter 3, § 200.3 (A) after the review is completed.</p> <p>NOTE: For additional guidance, refer to 42 CFR §§405.379, 405.952 and 405.972 and publication 100-04, Medicare Claims Processing Manual Chapter 29 - Appeals of Claims Decisions.</p>									

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
11262.11	<p>Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the “MLN Connects” listserv to get MLN content notifications. You don’t need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.</p>	X	X	X	X	

### IV. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements: N/A**

*"Should" denotes a recommendation.*

<b>X-Ref Requirement Number</b>	<b>Recommendations or other supporting information:</b>
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**Section B: All other recommendations and supporting information:** N/A

**V. CONTACTS**

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

**VI. FUNDING**

**Section A: For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**ATTACHMENTS: 0**

# Medicare Financial Management Manual

## Chapter 3 - Overpayments

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***200.2.6-Extended Repayment Schedules (ERS) and Appealing an Overpayment Subject to Limitation on Recoupment (Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)***

*If a provider, physician or other suppliers has been granted an extended repayment schedule (ERS) and submitted a valid and timely request for a redetermination or reconsideration to the Medicare contractor, the provider or other supplier will not be considered in default if payments were not made by the provider. The appeal would supersede the ERS agreement; (under normal circumstances this would have been put on withhold due to default of payment). The contractor shall send a notice to the provider explaining if they do not resume its ERS payments they may be placed on recoupment when there is no appeal status in place according to IOM 100.6 chapter 4 §50. Payments made by a provider under an ERS are not recoupments for the limitation provision and are not subject to 935 interest if reversed at the ALJ appeal or above. However, if a provider defaults on the ERS schedule and recoupment begins before a valid and timely request has been received, those recoupments are subject to payment of interest under the 935 interest requirements. For additional information on the Filing timeframes or instructions on Extended Repayment Schedules refer to Chapter 4 §50.*

**200.3 - What to Do After the Validated Redetermination Request is Received**  
***(Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)***

**Action to take:**

1. Contractors shall cease recoupment on validated redetermination requests. (Refer to Section 200.2.2 above).
2. If the contractor recouped funds prior to receiving and validating a redetermination *request* on or after day 41 from the demand letter date, the amount recouped shall be retained. (Contractors shall use their discretion to refund if the request was timely received but recoupment did not stop timely).
3. Contractors shall continue to collect other debts not in an appeal status subject to 935.
4. Contractors shall apply any excess monies from a check payment to 935 overpayments as a voluntary collection and update the system to reflect the collection as a check amount and not as a recoupment.
5. Contractors shall not recoup (exception: immediate recoupment) or place in suspense any monies related to 935 overpayment debt subject to “Limitation on Recoupment” while it is in an appeal status.
6. Debts continue to age and accrue interest on the outstanding amounts.
7. Contractors shall send a redetermination receipt notice to the provider within the timeframes allotted in Section 200.2.2 above.

8. Construct a short paragraph, such as Exhibit 1 below. Contractors shall use the sample letter as an example and can use their discretion to change the language to address the overpayment accordingly, as needed:

**Exhibit 1: Redetermination Receipt Notice:**

Current Date  
Provider Name  
Address  
City, State ZIP Code  
Provider Number:  
Demand Letter Number:  
Account Receivable Number:

Dear Provider Name,

This letter serves as a notification that we have received your request for a redetermination for the above accounts receivable or the services at issue. All collection processes have ceased on the unpaid balance of the accounts receivable, unless you have entered into an extended repayment schedule, immediate recoupment or paid in full. Interest will continue to accrue on any outstanding unpaid balance of the overpayment as explained in your demand letter. If you have any questions, please contact our office at the number listed below. You may also visit us at [www. .com](http://www. .com).

Sincerely,  
(Name and title)

**200.3.1-Outcome from the Redetermination Decision**

*(Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)*

*Refer to Publication 100.04, Chapter 29, Appeals of Claims Decisions, Section 310.11 - Effectuation of the Redetermination Decision, as needed for additional guidance. When the redetermination decision is a favorable reversal, in whole or in part, adjustments shall be made with respect to the overpayment and the amount of interest charged, in accordance with 42 CFR § 405.378 and Publication 100.06, Chapter 4, §30. A Partially Favorable Decision reduces the original principal overpayment amount and any interest that is attributable to the amount of principal that was reduced by the decision.*

Contractors shall follow the appropriate actions below following the notification of a Redetermination decision:

***A. Redetermination Fully and Partially Favorable Decision Outcome:***

*1. Contractors shall perform the following steps after the Fully and Partially Favorable Decisions:*

- Effectuate the decision, which consists of a claim history adjustment correction in the internal system (FISS, MCS, and VMS).*

**Note:** When there is an underpayment after the effectuation, those amounts shall be eligible for offset/recoupment, and be applied to other outstanding debts first before dispersing the refund amount. This does not include any open debts that are in an appeal status or other type of pending status of exclusion (i.e., bankruptcy, suspensions, and fraud) in accordance with Publication 100.6, Chapter 4, Section 70.14.8.1, and Chapter 5, Section 410.4 (10).

- Create a manual invoice in the Healthcare Integrated General Ledger System (HIGLAS) when there is an excess amount remaining.

- Send a Revised Overpayment Demand Letter.

a. There may be situations when a Fully Favorable decision outcome creates a remaining balance.

1. If this occurs Contractors shall need to send a revised overpayment demand letter to address this action.

b. For Fully Favorable decisions without an open balance remaining, the Remittance Advice (RA) shall be acceptable in place of additional written Notices.

- When a reversal in favor of the provider occurs, interest may be payable by Medicare only if the underpayment is not paid 30 calendar days from the finalized claims adjustment date. Refer to 42 CFR 405.378.

**Contractors Shall:**

1. Recalculate the overpayment and refund the remaining excess amounts to providers within 30 calendar days from the finalized claim adjustment date.

**Note:** With the exception of extrapolations, the timeframe is 30 calendar days from the receipt of the recalculation amounts. The process is once the appeal decision is received, the decision and claim information is sent to the appropriate contractor for the recalculation of the extrapolation. Once this recalculation is received back, the MAC effectuates the decision i.e., adjusting the balance of the AR in HIGLAS, issuing a recalculation letter or issuing a refund as needed.

**Note:** For extrapolations, the timeframe is 30 calendar days from the receipt of the Unified Program Integrity Contractor (UPIC) and the Office of the Inspector General (OIG) recalculations.

2. Shall not apply any excess funds to other overpayments that are in an appeal status or any other pending status in exclusion, such as bankruptcy, suspensions, fraud etc.

3. Update the AR Status from the finalized claim adjustment date.

4. Create a manual invoice to refund the provider within 30 calendar days from the finalized claim adjustment date.

5. Send the Revised Overpayment Demand Letter when the results are fully or partially favorable, and an outstanding balance remains.

**Note:** This entire process (1-5) shall be completed within 30 calendar days from the final determination (final claims adjustment) date.

**B. Contractors shall perform the following steps after a Fully Unfavorable Reconsideration Decision:**

1. Send the Redetermination Revised Overpayment Demand Letter on **open balances only** within 30 calendar days from the date of the appeal decision.

2. Follow normal collection processes, as outlined in the IOM publication 100.06, Chapter 3 and 4.

3. Recoupment begins on day 76 following the AR Status update in HIGLAS.

4. Issue the Intent to Refer letter after the Redetermination decisions when appropriate, in accordance with Chapter 4, Debt Collection-

- This does not apply to any open debts that are in a subsequent level appeal status or other type of pending status of exclusion (i.e., bankruptcy, suspensions, and fraud).

5. Contractors shall have the overpayment remain "eligible for internal offset" status until paid in full, received a timely and valid request for reconsideration, or referred to Treasury.

**C. Recoupment after a Redetermination Decision**

While the Redetermination Revised *Overpayment Demand* Letter states that recoupment can begin no earlier than the 61<sup>st</sup> calendar day, Contractors shall utilize the additional 15 calendar days before recoupment begins on any unpaid balance to reconcile the payment or perform administrative actions. In addition, the 15 calendar day period between when the provider is informed recoupment can begin (day 61) and when recoupment actually begins (day 76) is designed to facilitate communication between the *QIC* and the contractor *to determine if* a Reconsideration request *has been* received.

Recoupment shall not resume upon notification by the QIC of the receipt of a timely and valid request for a reconsideration. If the debt has been in an appeal status *and no reconsideration has been received*, the status of the debt shall be changed to reflect "eligible for internal offset" to "resume *recoupment*".

**D. When Recoupment Can Begin or Resume After the Redetermination Decision**

Timeframe	Contractor actions for recoupment	Provider
Day 60	Overpayment remains in an Appeal Status - No recoupment occurs	Refunds the overpayment in full or submits a request for reconsideration, <i>or requests an ERS.</i>

Day 61-75	<i>No recoupment if the contactor is</i> in receipt of the reconsideration case-file and/or has official proof of request received and stamped. Overpayment remains in the appeal status.	Files reconsideration or refunds the overpayment, or requests an ERS.
Day 76 <i>to 180</i>	Recoupment stops with a valid receipt of the reconsideration.	Provider has 180 days from date of receipt of the redetermination to appeal to the reconsideration level.

**E. Redetermination Revised Overpayment *Demand* Letter for Favorable and Unfavorable Appeal Decisions**

Contractors shall use the letter template below in Exhibit 2 for favorable and unfavorable decisions. If the language *in Exhibit 2* does not address the *appropriate* scenario, Contractors shall modify the language to address the overpayment *as appropriate*.

1. Contractors shall send a Redetermination Revised Overpayment Demand letter on *Partially and Fully Favorable Decisions when the recalculation resulted in:*
  - a. Paying the new, revised amount in full from previous recoupments/collections.
  - b. Reducing the revised amount from previous recoupments/collections
  - c. Reducing the revised amount from previous recoupments/payments on an established ERS.
  - d. Reducing the original amount with no recoupments/collections.
2. Refer to chapter 4, Section 50 for ERS instructions on a revised *extended* repayment schedule.
3. *Contractors shall use Exhibit 2 options or at their discretion, adjust the language to address the scenario when sending the Redetermination Revised Overpayment Demand Letter.*

**Exhibit 2: *Medicare Redetermination Revised Overpayment Demand Letter***

Current Date

Provider Name

Address

City, State ZIP Code

Provider Number:

Account Receivable Number:

Dear [Provider Name],



This letter is in reference to the redetermination decision dated \_\_\_\_\_, for the overpayment in the amount of \_\_\_\_\_ issued to you on \_\_\_\_\_ [Date of demand].

**(Option 1 – Fully or Partially Favorable Revised Demand Letter)**

Based on the *Fully or* Partially Favorable decision and the recalculation, the revised balance of the Principal is \_\_\_\_\_ and Interest is \_\_\_\_\_. A payment totaling \_\_\_\_\_ is due by \_\_\_\_\_.

**Or**

**(Option 2 – Partially Favorable on Debts Paid in Full Due to Decision)**

*According to our records, CMS has applied a total of [AMOUNT PAID ON DEBT BEFORE EFFECTUATION] to your debt. This amount represents the total amount of payments on the debt before the effectuation of your redetermination decision. Based on the effectuation of the redetermination decision, you had [AMOUNT] that was applied to the remaining outstanding balance, after the redetermination decision was effectuated, of [AMOUNT DUE AFTER REDETERMINATION] as a result, the debt has been paid in full. This does not affect your right to appeal to the next level Reconsideration at the Qualified Independent Contractor.*

**Or**

**(Option 3- Partially Favorable applied excess funds to other overpayments with or without a refund)**

According to our records, after the effectuation, your debt had an underpayment for [AMOUNT] that was applied to other outstanding *debts*. The provider may request a listing of debts by contacting [ xxx-xxx-xxxx].

**Or**

**(Option 4 – Fully Unfavorable notification letter)**

Based on the Unfavorable *Determination*, the balance of the principal is \_\_\_\_\_ and the balance of outstanding interest is \_\_\_\_\_. A payment totaling \_\_\_\_\_ is due by \_\_\_\_\_.

When the redetermination decision is [**Unfavorable or Favorable**], we may begin to recoup no earlier than **61 days** after the date of **this [Notification or Revised demand letter]**. Please note if recoupment stops, interest continues to accrue.

**[Contractors shall select the correct option above based on the outcome of decision].**

**Rebuttal Process:**

Under our existing regulations 42 CFR Sections 405.374, providers and other suppliers will have **15 days from the date of this demand letter** to submit a statement of opportunity to rebuttal. The rebuttal process provides the debtor the opportunity before the suspension, offset, or recoupment takes effect, to submit any statement (to include any pertinent information) as to why it should not be put into effect on the date specified in the notice. A rebuttal is not intended to request a review of supporting medical documentation nor to express disagreement with the overpayment decision. A rebuttal shall not duplicate the redetermination process. This is not an appeal of the overpayment determination. Our office

will advise you of our decision 15 days from the mailroom stamped receipt date of your request.

The rebuttal statement does not cease recoupment activities consistent with Section 935 (f)(2) of the Medicare Modernization Act (MMA).

**If you wish to appeal this decision:**

If you disagree with this overpayment decision, you may file an appeal. An appeal is a review performed by people independent of those who have reviewed your claim so far.

The second level of appeal is the reconsideration. You must file your request for the reconsideration within 180 days from date of receipt of the appeal decision letter in accordance to 42 CFR §405.962(a). **However, if you wish to avoid recoupment from occurring, you need to file your request for reconsideration within 60 days from the date of this letter, as described above.** Unless you show us otherwise, we assume you received this letter, five days after the date of this letter.

**[Include this paragraph when there is a remaining balance owed.]**

**If you have already sent a payment and will not be appealing to the next level appeal, thank you, and we ask that you disregard this letter.**

**If you are unable to repay the amount due in full, please visit our website for instructions on an extended repayment schedule ([www.contractor.com](http://www.contractor.com)).**

**Please refer to your initial demand letter for any other information not disclosed in this letter.**

If you have any questions or concerns on this matter, please write to our office or contact us at the address at the bottom of this notice.

Thank you,  
Analyst Name  
Title xxx-  
xxx-xxxx

**E. Initiating or resuming recoupment after a Withdrawal or Dismissal**

**Contractors shall initiate or resume recoupment following a request for a withdrawal from the provider or other suppliers or from a Redetermination dismissal notification.** Remove the appeal status as soon as possible but no later than 30 calendar days from the requested withdraw or from the dismissal notification to resume recoupment. For additional guidance, refer to 42 CFR §§405.379, 405.952 and 405.972 and publication 100.04, Medicare Claims Processing Manual Chapter 29 – Appeals of Claims Decisions.

***200.4 – What to do after the Validated Reconsideration Request is Received (Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)***

*The Qualified Independent Contractor (QIC) determines the validity and timeliness of a request for the reconsideration. To limit recoupment, the request should have a mailroom receipt date no later than the 60<sup>th</sup> calendar day from the date of the redetermination for Unfavorable Determinations or from the Revised Redetermination Overpayment Demand Letter date.*

- 1. Contractors shall place overpayments in the Reconsideration appeal status to avoid further recoupments when validated on or after day 60 from the Redetermination decision date or the Redetermination Revised Overpayment Demand Letter date.*
- 2. Contractors shall recall debts back to its location when the overpayment was referred to Treasury.*

***Note:** Providers have 180 days from the date of receipt of the redetermination appeal decision to file for a reconsideration request in accordance with Chapter 29, Claim appeals, section 240. Once the appeal is received and validated, Contractors shall update the appeal status to stop recoupment. When the QIC receives a request for reconsideration, it will request the case file from the MAC using the Redetermination Case File Request Form in accordance with Publication 100-04, Medicare Claims Processing Manual Chapter 29 - Appeals of Claims Decisions.*

***A.** Contractors **shall** utilize the 15 additional calendar days (between the 61<sup>st</sup> day to the 76<sup>th</sup> day) starting from the redetermination appeal decision date or the Revised Redetermination Overpayment Demand Letter date to address the listing below after the case file requests are received.*

- 1. The appropriate unit shall continue to update the list for the overpayment recovery Unit with Part B case file requests received.*
- 2. Review the MAS for updates on the Part A Reconsideration updates.*
- 3. Update the HIGLAS to the reconsideration appeal status, when appropriate.*
- 4. After the appeal status updates (in HIGLAS), send the Reconsideration Receipt Notice to the appellant within eight (8) business days.*

***B.** Contractors shall have internal controls in place to avoid recoupment from starting on day 76.*

***C.** Contractors shall contact the QIC **only when it becomes necessary** to confirm receipt of an appeal when notified by the provider and the 76th calendar day is approaching.*

***Contractors shall confirm:***

- 1. There is no communication from the QIC for a request of the redetermination case file for Part B.*
- 2. There is no information in the MAS for Part A.*
- 3. The Provider submitted a copy of the tracking number from (FedEx, United States Postal Services (USPS), and United Parcel Services (UPS)) and/or a copy of the QIC notification of receipt date for the reconsideration request.*

***200.4.1 - Actions to Take Upon Receiving Notification from the QIC for Case Files:***

***(Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)***

*In accordance with Publication 100-04, Chapter 29, the QIC is required to use the Reconsideration Case File Request form when requesting the case file from the Contractors.*

- 1. Contractors shall update the appeal status to stop or not start recoupment on Reconsideration requests received on or after day 76. This shall be completed within eight (8) business days from the email receipt date of the Redetermination case file request to the appeals unit or from the receipt date of the submitted reconsideration appeal request in MAS.*
- 2. Contractors shall retain and apply any recouped funds collected on or after the 76th calendar day. However, if the request was timely stamped prior to day 76 and recoupment occurred, it is at the Contractors' discretion to refund those funds.*
- 3. Contractors shall accept other legitimate information/sources to support placing the AR in the Appeal status to stop recoupment including:*
  - a. Proof of receipt (written notification from the QIC) from the provider that shows the date the QIC received the reconsideration request.*
  - b. Any legitimate information from an available and reliable source that can identify the date when the QIC received and/or validated the reconsideration request.*
  - c. The tracking validation documentation (e.g., FedEx, United States Postal Service (USPS), and United Parcel Services (UPS)) that reflects the receipt date of the request.*
- 4. Contractors shall continue to collect other debts owed by the provider but may not withhold or place in suspense any monies related to the debt(s) in an appeal status.*
  - a. Contractors shall report overpayments that are in appeal status on the Treasury Report on Receivables (TROR).*
  - b. Debts continue to age and accrue interest on the outstanding amounts.*
- 5. Contractors shall send a Reconsideration Receipt Notice to the appellant within eight (8) business days from the Reconsideration Appeal status update. Contractors can send this notice via USPS mail or electronically (via email or a secure site).*

***The Reconsideration Receipt Notice example is provided in Section 200.4.2, Exhibit 3 below. Use the provided language or use your discretion to modify the proposed language as needed to address the overpayment scenario, which include the following:***

- a. The notice shall have validation language.*
- b. If there was collection activity, explain that when the overpayment is in an appeal status, recoupment stops during the appeal review process on those overpayments that are not included in an immediate recoupment agreement; or*
- c. If the provider has an Immediate Recoupment agreement, the notice shall state that the recoupment will continue due to this agreement.*

***200.4.2 - The Reconsideration Receipt Notice Example  
(Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)***

***Exhibit 3: Reconsideration Receipt Notice***

*Current Date  
Provider Name  
Address*

*City, State ZIP Code*

*Provider Number:*

*Account Receivable Number:*

*Dear Provider Name,*

*This letter serves as a notification that [Contractor name] received confirmation that the Qualified Independent Contractor (QIC) [Name] **has validated your request for a reconsideration review.***

*All collection processes have ceased on the unpaid balance of the accounts receivable unless you have entered into an extended repayment schedule or an immediate recoupment agreement. Interest will continue to accrue on any outstanding unpaid balance of the overpayment as Explained in your demand letter.*

*You will receive a reconsideration decision letter after the QIC has rendered its decision.*

*If you have any questions, please contact our office at the appropriate number listed below. you may also visit us at [website].*

*Sincerely,  
(Name and title)*

### ***200.4.3 - Actions to Take after the Reconsideration Decision (Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)***

*The QIC decision may require a recalculation of the debt's balance and effectuation by the Contractor. Refer to Publication 100-04, Medicare Claims Processing Manual, Chapter 29 §320.9 for additional information on effectuations. When a decision is in favor of the provider occurs, interest may be payable by Medicare if the underpayment is not paid 30 calendar days of the final determination (e.g., claim adjustments finalized due to decision). Refer to 42 CFR 405.378.*

#### ***A. Contractors shall perform the following steps for Fully and Partially Favorable Reconsideration decisions:***

*1. Effectuate the decision, which consists of a claims history adjustment correction in the internal system (FISS, MCS and VMS).*

***Note:*** *With the exception of extrapolations, the timeframe is 30 calendar days from the receipt of the recalculation amounts. The process is once the appeal decision is received, the decision and claim information is sent to the appropriate contractor for the recalculation of the extrapolation. Once this recalculation is received back, the MAC effectuates the decision i.e., adjusting the balance of the AR in HIGLAS, issuing a recalculation letter or issuing a refund as needed.*

***Note:*** *For extrapolations, the timeframe is 30 calendar days from the receipt of the Unified Program Integrity Contractor (UPIC) and the Office of the Inspector General (OIG) recalculations.*

*2. Create a manual invoice in HIGLAS when there is an excess amount.*

3. *Send a Revised Overpayment Demand Letter on Partially Favorable decisions.*

a. *There may be situations when a Fully Favorable decision outcome creates a remaining balance.*

- *If this occurs Contractors shall need to send a Revised Overpayment Demand Letter to address this action.*
- *For Fully Favorable decisions without an open balance remaining, the Remittance Advice (RA) shall be acceptable in place of additional written notices.*

**Contractors Shall:**

1. *Recalculate the overpayment and refund the remaining excess amounts to the provider within 30 calendar days from the finalized claim adjustment date.*

- *For extrapolations, timeframe for completion is 30 calendar days from the receipt of the UPIC and OIG recalculations.*

2. *Shall not apply any excess funds to other overpayments that are in an appeal status or any other pending status of exclusion (i.e., bankruptcy, suspensions, and fraud).*

3. *Update the AR Status from the finalized claim adjustment date.*

4. *Create a manual invoice to refund the provider.*

5. *Send the Revised Overpayment Demand Letter when the results are Fully or Partially Favorable, and an outstanding balance remains.*

- *For Fully Favorable decisions without an open balance remaining, the Remittance Advice (RA) shall be acceptable in place of additional written notices*

**Note:** *This entire process (1-5) shall be completed within 30 calendar days from the final determination (final claims adjustment) date.*

**B. Contractors shall perform the following steps below after a Reconsideration Fully Unfavorable Decision:**

1. *Send the Reconsideration Revised Overpayment Demand Letter on **open balances only** within 30 calendar days from the date of the appeal decision.*

2. *Follow normal collection processes, as outlined in the IOM publication 100.06, Chapter 3 and 4.*

3. *Recoupment shall begin on day 30 following the AR status update in HIGLAS after receiving notification of the QIC decision or 30 days from the revised overpayment demand letter date.*

4. *Issue the Intent to Refer letter within 60 calendar days from the AR status update, such as (but not limited to) the 935-Reconsideration denied*

- *This does not apply to any open debts that are in a subsequent level appeal status or other type of pending status of exclusion (i.e., bankruptcy, suspensions, and fraud).*

5. Contractors shall have the overpayment remain "eligible for internal offset" status until paid in full or referred to Treasury.

**200.4.4 Recoupment Timeframes and Reconsideration Notices after Decision**  
(Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)

**A. When does Recoupment Begin or Resume after the Reconsideration?**

<b>Timeframe</b>	<b>Medicare Contractor</b>	<b>Provider</b>
<i>Day 30 (following reconsideration decision)</i>	<i>Resume or begin recoupment without regard to the ALJ appeal request 30 calendar days from the Fully Unfavorable Reconsideration Decision, and from the revised demand letter for Partially Favorable decisions.</i>	<i>Must either pay Overpayment in full or submit request for an Extended Repayment Schedule (ERS) to avoid recoupment.</i>
<i>Day 60 (following reconsideration decision)</i>	<i>Recoupment continues until the debt is fully collected. This is also the timeframe to send the Intent to Refer letter (ITR) or refer to Treasury when the ITR was previously sent.</i>	<i>Provider can request an ERS prior to the referral to Treasury. Provider can also appeal to the ALJ.</i>

1. Contractors shall use the Exhibit 4: Reconsideration Revised Overpayment Demand Letter specified in Chapter 3, Section 200.4.5 or use your discretion to modify the language, accordingly, to reflect the outcome of the adjustments to the overpayment.

- This letter states that the providers, physicians, and other suppliers have been afforded the opportunity for rebuttal in accordance with requirements of CFR 42 §405.373(2) through §405.375.

**200.4.5 - Reconsideration Revised Overpayment Demand Letter**  
(Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)

**Exhibit 4: Reconsideration Revised Overpayment Demand Letter:**



*Month, Date, Year*

*Provide Number or NPI Number*

*Original Demand Letter Reference Number:*

*Dear [Provider Name],*

*This letter is in reference to the Medicare reconsideration [Decision], dated [DATE], for the overpayment of [AMOUNT] issued to you on [DATE OF DEMAND].*

*According to our records, the balance on the Principal amount is [AMOUNT] and the Interest amount is [AMOUNT]. A payment is due totaling [AMOUNT] by [DATE]. We can begin to recoup no earlier than **30 days from the date of this letter**. Interest will continue to accrue and will be assessed for the total amount due until the debt is collected in full as explained in your demand letter in accordance with 42 CFR § 405.378.*

***[After adjusting the ARs on the unfavorable amounts due to a Partially Favorable decision, Contractors shall modify this letter to show the claims that can be appealed, for example:***

*According to our records, due to the Partially Favorable decision the overpayment was collected in full. **[Refer to your reconsideration appeal decision letter for the listing of the unfavorable claims]***

***Rebuttal Process:***

*Under our existing regulations at 42 CFR § 405.374, providers and other suppliers will have **15 days from the date of this demand letter** to submit a statement of opportunity to rebuttal. The rebuttal process provides the debtor the opportunity, before the suspension, offset, or recoupment takes effect, to submit a statement (to include any pertinent information) as to why it should not be put into effect on the date specified in the notice. A rebuttal is not intended to request a review of supporting medical documentation nor to express disagreement with the overpayment decision.*

*A rebuttal shall not duplicate the reconsideration process. This is not an appeal of the overpayment determination. Our office will advise you of our decision 15 days from the mailroom stamped receipt date of your request.*

*The rebuttal statement does not cease recoupment activities consistent with Section 935(f)(2) of the Medicare Modernization Act (MMA).*

***If you wish to appeal this decision:***

*You can appeal the unfavorable amount if you disagree with this overpayment decision, to the Administration Law Judge (ALJ) 60 days from the date of receipt of the reconsideration. An Appeal is a review performed by people independent of those who have reviewed your claim so far. Refer to your reconsideration appeal decision letter for the listing of the unfavorable claims.*

*Recoupment proceeds regardless of the filing for an ALJ hearing. Following the final decision by the QIC, if the debt has not been paid in full, we will begin or resume recoupment whether or not you appeal to the next level after 30 days from the date of this letter due to the QIC decision or*



*dismissal. [Disregard this paragraph if debt was paid in full prior to or after recalculation]*

*If you have already sent payment, we thank you and ask that you disregard this letter. If you are unable to repay the amount in full, please visit our website for instructions on an Extended Repayment schedule [MAC WEBSITE].*

*Please refer to your initial demand letter for any other information not disclosed in this letter.*

*Thank you,  
[ CONTRACTOR NAME]  
[CONTRACTOR PHONE]*

***NOTE: For revised letters on overpayments with a zero balance or paid in full, the Rebuttal Statement is not necessary.***

***200.4.6 - Initiating or Resuming Recoupment After a Reconsideration  
Withdrawal or Dismissal  
(Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)***

***A. A request for an appeal may be dismissed for any number of reasons, including:***

- 1. Abandonment of the appeal by the appellant.*
- 2. A request is made by the appellant to withdraw the appeal.*
- 3. A determination that an appellant is not a proper party.*
- 4. The amount in controversy requirements have not been met.*
- 5. The appellant has died and no one else is prejudiced by the claims determination.*

***B. Contractors shall perform the following actions following notification of a withdrawal or dismissal:***

- 1. Update the AR status to remove the appeal status as soon as possible but no later than 30 calendar days from the notification of the withdrawal or dismissal of the appeal.*
- 2. Initiate or resume recoupment on the overpayment immediately upon notice of withdrawal of an appeal.*
- 3. Initiate or resume recoupment following the dismissal issued date from the QIC.*
- 4. Update the AR status to resume recoupment as soon as possible but no later than 30 calendar days from the dismissal notification date.*

***C. For additional guidance, refer to 42 CFR §§405.379, 405.952, 405.972, and publication 100-04, Medicare Claims Processing Manual Chapter 29 - Appeals of Claims Decisions.***

***200.4.7 - QIC Remands on Dismissals  
(Rev. 12261; Issued: 09-22-23; Effective: 12-11-23; Implementation: 12-11-23)***

*When the QIC performs its review of the dismissal, it will decide if the dismissal was correct. If it determines that the contractor incorrectly dismissed the redetermination, it will vacate the dismissal and remand the case back to the Contractor for a redetermination. When the QIC remands an appeal, it is mandatory for the Contractor to issue a new redetermination decision in accordance with Publication 100-04, Medicare Claims Processing Manual, and Chapter 29.*

***A. Contractors shall change the Reconsideration appeal status back to a Redetermination appeal status until a new decision is rendered.***

*1. Update the AR status within eight (8) business days from the email receipt date (from appeals) on all QIC remand notifications.*

*2. Contractors shall follow the Redetermination instructions specified in Chapter 3, § 200.3 (A) after the review is completed.*

*3. For additional guidance, refer to 42 CFR §§405.379, 405.952 and 405.972 and publication 100-04, Medicare Claims Processing Manual Chapter 29 - Appeals of Claims Decisions*