

12 VAC 30-90-257. Credit Balance Reporting.

Definitions. The following words and terms, when used in this regulation, shall have the following meaning unless the context clearly indicates otherwise:

“Claim” means a bill submitted by a provider, consistent with 12VAC 30-20-180, to the Department for services furnished to a recipient.

“Credit balance” means an excess or overpayment made to a provider by Medicaid as a result of patient billings.

“Interest at the maximum rate” means the interest rate specified in the Code of Virginia, § 32.1-312 or §32.1-313, depending on the facts of the excess payment.”

“Negative balance transaction” means the reduction of a payment or payments otherwise due to a provider by amounts or portions of amounts owed the Department from previous overpayments to the provider.

“Overpayment” means payments to a provider in excess of the amount that was or is due to the provider.

“Weekly remittance” means periodic (usually weekly) payment to a provider of amounts due to the provider for claims previously submitted by the provider.

- A. NFs shall be required to report Medicaid credit balances on a quarterly basis no later than 30 calendar days after the close of each quarter. For a credit balance arising on a Medicaid claim within three years of the date paid by the Department, the NF shall submit an adjustment claim. If the NF does not want the claim retracted from future DMAS payments, a check in the amount of the credit balance can be submitted along with the adjustment claim. For credit balances arising on claims over three years old, the NF shall submit a check for the balance due and a copy of the original DMAS payment. Interest at the maximum rate allowed shall be assessed for those credit balances (overpayments) which are identified on the quarterly report but not reimbursed with the submission of the quarterly report. Interest will begin to accrue 30 days after the end of the quarter and will continue to accrue until the overpayment has been refunded or adjusted.
- B. A penalty shall be imposed for failure to submit the quarterly credit balance report timely as follows:
1. NFs which have not submitted their Medicaid credit balance data within the required 30 days after the end of a quarter shall be notified in writing by the Department. If the required report is not submitted within the next 30 days, there will be a 20 percent reduction in the Medicaid per diem payment.

2. If the required report is not submitted within the next 30 days (60 days after the due date), the per diem payments shall be reduced to zero until the report is received.

3. If the credit balance has not been refunded within 90 days of the end of a quarter, it shall be recovered, with interest, through the use of a negative balance transaction on the weekly remittance.

4. A periodic audit shall be conducted of the NFs' quarterly submission of Medicaid credit balance data. NFs shall maintain an audit trail back to the underlying accounts receivable records supporting each quarterly report.

CERTIFIED:

Date

Eric C. Bell, Director

Dept. of Medical Assistance Services