



## Refund Policy

<i>Date Implemented:</i>	8/18/2021	<i>Date Reviewed/ Revised:</i>	4/26/2022	<i>Reviewed/ Revised By:</i>	Justin Harrison	<i>Ref. No.</i>	AR.204
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### Policy:

All private pay overpayments made to resident accounts will be refunded within 30 days of discharge. All residents who expire and their total resources exceed the current resource limit of \$2,000.00 will notify DMAS within 10 days of the resident’s death. All overpayments from Insurances will be refunded as they are received and verified to be accurate unless the insurance recoups through a future remit or the claim is corrected via voided or adjusted claim.

### Policy Explanation and Compliance Guidelines:

#### Procedure – Private Refunds:

The Collection Manager will run a report from the billing software weekly to determine any residents that have permanently discharged or have deceased. The Collection Billing Specialists will review their assigned reports/accounts in order to determine if a refund is needed and will then analyze the account. If it is determined by the Collection Billing Specialist that a private refund is needed on the billing account, the Collection Billing Specialist will complete a Request for Refund Form (see forms) and forward it along with the required documentation to the Collection Manager or designee for processing within 20 days of discharge/death. The Collection Billing Specialist will make a note on the Private Collections tab that the refund request has been submitted. The Request for Refund Form and appropriate back up will be forwarded to the appropriate Home Office Accountant for keying. The refund check will be cut and mailed to the destination specified on the Request for Refund Form by the Collection Billing Specialist. See below for procedure for Unclaimed Property. When the refund check is issued, the check number and date will be placed on the Request for Refund Form by the Home Office and a copy will be placed in the Collection Manager’s in box. The Collection Manager or designee will post the refunds to the accounts on or before 30 days after discharge in the billing software. The Regional Business Office Managers will be required to audit the refund account monthly to make sure that all refund checks have been posted to the resident accounts. Checks to Unclaimed property will be forwarded to the CCR Controller for processing – see below for procedure.

In the event of the resident’s death and no executor or administrator exists, refunds from accounts should be made in the following order:

- a. The establishment that conducts the funeral arrangements for burial expenses (If still unpaid at the time of refund).
- b. To the designated responsible party or family member.
- c. Any remaining balance will be reported to the circuit court in the city or county in which the resident resided.
- d. Division of Unclaimed Property at the following Address:

Commonwealth of Virginia  
 Department of the Treasury Division of Unclaimed Property  
 P.O. Box 2478  
 Richmond, VA 23218

## *Accounts Receivable*

When submitting a refund to Unclaimed Property for A/R refunds:

1. Complete refund Request Form with required documentation.
2. Specify on Refund Request form to forward check and documentation to CCR Controller
3. Complete Form AP-2 (see forms)
4. Forward refund request form, required documentation, and completed AP-2 to the Regional B.O.M. or Collection Manager for approval.
5. When the check is issued, the A/P personnel will give the check and attached documentation to the CCR Controller for processing. A copy of the completed refund request form will be forwarded to the Collection Manager, the same as all other refunds are.
6. CCR Controller will complete form AP-1(see forms)
7. CCR Controller will have copies made and forward check and required AP-1 and AP-2 forms on to the Division of Unclaimed Property at the address listed above.

When submitting a refund to Unclaimed Property for Resident Trust refunds including stale checks:

1. Complete Form AP-2 (see forms)
2. Forward check written from Resident Trust and AP-2 form to the CCR Controller.
3. CCR Controller will complete form AP-1 (see forms)
4. CCR Controller will have copies made and forward check and forms to the Division of Unclaimed Property at the address listed above.

Procedure for when resident dies, and their total resources exceed the current resource limit of \$2,000.00:

1. The Business Office shall notify D.M.A.S. within 10 days of the client's death of all the client's personal property including funds held by the facility (see VMNHM, VII, pg. 17-18)  
Send the information to the following address:

Benefits Control Manager Division of Program Operations  
Department of Medical Assistance Services  
600 East Broad Street, Suite 1300  
Richmond, VA 23219

2. The client's funds should be promptly conveyed within 30 days of the date of death to the person administering the client's estate. The facility must also provide a final accounting of the funds to the person administering the client's estate. It is recommended that the facility require an estate affidavit before releasing the decedent's funds if the disbursement check is made payable to an individual instead of the estate.

**Procedure – Insurance Accounts:**

The home office billing staff will work credit balances monthly. The Corporate Billing Staff will review the account for accuracy and submit a refund request to the Billing Manager if the account has truly been overpaid and cannot be corrected via void claim or adjustment claim or recouped through a future remit. The Billing Manager will authorize adjustment request/refund request and make sure that the proper documentation is provided and that the attachments are with the refund request. The Billing Manager will approve and submit to A/P for processing. Once the refund check has been issued to the Insurance provider, the copy of the Refund Adjustment page with the check number will be placed in the Billing Manager's in box by the accounting staff processing the check. The Billing Manager will complete the refund adjustment in the billing software. The Corporate Billing Staff assigned to the account will follow up with the Insurance Agency within 30 business days to make sure that the check was received, and the account cleared. A Collection note in the billing software will be entered utilizing the activity note "Refund Processed by Payer" to confirm that the refund was received by the correct entity and the account cleared. The same will be followed for letters requesting refunds for overpayments except for refund requests resulting from an ADR or Medical records review appeal. This type of refund will be processed by the CCR ADR team.