

Initial Notice of Overpayment

Medicare's notice of overpayment is also known as a "refund" or "demand" letter. You may receive a notice of overpayment as the result of a beneficiary, provider, primary insurer inquiry or internal identification of a payment error.

When claims are adjusted due to an overpayment, a Solicited Demand letter will be issued to you. If the claim adjustment is initiated due to a Recovery Audit review, the number in the upper right hand corner of the Solicited Demand letter will begin with an "R".

Note: The refund letter will be issued to your billing address.

Methods of Repayment on a Solicited Demand

There are multiple ways to send an overpayment.

Immediate Recoupment as a Means to Repay Medicare Debt

The immediate recoupment process is for providers who have received an overpayment demand letter from Medicare. Immediate recoupment is not an alternative for sending a voluntary refund to Medicare.

You may elect to have your overpayment(s) repaid through the immediate recoupment process and avoid paying by check or waiting for the standard recoupment that begins 41 days from the date of the initial demand letter. A request for immediate recoupment must be received by Medicare in writing no later than 16 days from the date of the overpayment demand letter.

A request for immediate recoupment must be in writing and submitted via:

- Fax:
 - [Part A - Immediate Recoupment Request Form](#)
 - (412) 802-1836
 - [Part B - Immediate Recoupment Request Form](#)
 - JH Part B: (717) 728-8728
 - JL Part B: (717) 728-8722
- Novitasphere:
 - JH ([Part A](#)) ([Part B](#))
 - JL ([Part A](#)) ([Part B](#))

When submitting an immediate offset you must specify whether you are submitting either:

- A one-time request for all invoices included in the current overpayment demand letter and all future overpayments:
 - If you select a one-time request, as listed above, the immediate recoupment process for future overpayments will automatically begin 16 days from the date of the demand letter (assuming there are claims processing for payment).
 - The 16-day timeframe allows for a 15-day rebuttal period.
 - If you select a one-time request, as listed above, you may, at a later date, fax or mail a written request to discontinue participation in the immediate recoupment process.
 - This process may take up to 14 calendar days from receipt of your request to stop the immediate recoupment process.

- A request for all invoices included in only the current overpayment demand letter received:
 - If you request all invoices included in only the current overpayment demand letter, the immediate recoupment process will occur at the demand letter level through our current process, which will not allow offset to begin until 16 days from the date of the demand letter (assuming there are claims processing for payment).
 - The 16-day timeframe allows for a 15-day rebuttal period.

Your request for immediate recoupment must include the following:

- Provider Name and contact phone number (include area code)
- Provider Transaction Account Number (PTAN)
- National Provider Identification (NPI)
- Provider, Administrator, or Chief Financial Officer's (CFOs) signature authorizing the request
- Overpayment Demand Letter number located at the top of the 1st page
- Identify which option you are requesting

The immediate recoupment process is optional and for your convenience. You may find savings in check printing and postage since you are requesting to have your Medicare overpayment(s) withheld from your future Medicare claim payments.

Any principal balance remaining after the initial immediate recoupment attempt will continue to accrue interest, and continue in the recoupment process and other collection activities until the overpayment is satisfied.

By signing the form you are acknowledging that you understand that going through the immediate recoupment process is considered to be a payment arrangement that constitutes a voluntary payment and will not be subject to 935 (f)(2) interest pursuant to 1893(f)(2). The exception to this is when your appeal at the Administrative Law Judge (ALJ) prevails, any money recouped 30 calendar days after the reconsideration decision will be subject to 935 interest.

You will be notified of the immediate recoupment via the provider remittance from which the Medicare payment was withheld.

Return of Money via Check

Whether we or you identify an overpayment, the overpaid funds may be returned by check. Send a personal check for the amount that was overpaid.

Note: Please do not return the Medicare check.

All checks should be sent to the appropriate address listed below along with a copy of the demand letter and any associated attachments.

Novitas Solutions

Cashier

P.O. Box XXXX (replace the Xs with the PO Box number from the table below)

Mechanicsburg, PA 17055-XXXX (fill in the +4 from the table below)

Part A:

State

P.O. Box

Zip +4

Arkansas	3103	1819
Colorado	3113	1828
DCMA	3122	1832
Delaware	3417	1853
Louisiana	3103	1819
Maryland	3122	1832
Mississippi	3103	1819
New Jersey	3122	1832
New Mexico	3113	1828
Oklahoma	3114	1829
Pennsylvania	3122	1832
Texas	3113	1828

Part B:

State	P.O. Box	Zip +4
Arkansas	3091	1809
Colorado	3105	1821
DCMA	3405	1848
Delaware	3405	1848
Louisiana	3090	1808
Maryland	3404	1847
Mississippi	3128	1833
New Jersey	3034	1805
New Mexico	3105	1821
Oklahoma	3105	1821
Pennsylvania	3304	1838
Texas	3106	1822

Note: When sending a payment in response to a demand letter, there is **no form to complete**. We ask that you **include a copy of your demand letter/demand letter attachment** when sending a check. If you are unable to send a copy of your demand letter/attachment due to checks being printed at a different location, please include the demand letter number in the memo area of your check. The demand letter number is located at the upper right hand corner of the demand letter.

Please do not include a request for an appeal of the overpayment along with your check. Direct your request for an appeal to the appropriate appeals address listed in the [Appeals section](#).

Part B only: A Medicare check issued from one account (i.e., the physician group account) cannot be used to satisfy an overpayment for another (i.e., the individual physician account).

Contractor Initiated Offset

If the overpayment is not returned within the appropriate timeframe (see below) after the initial notice of overpayment, Medicare will automatically withhold funds from a future payment(s) to satisfy the overpayment and any interest that has accrued. Information on the Assessment of Interest is located in the section below.

Type of Receivable	Offset Time Frame
Claims Accounts Receivable - Part A	Day 1
Settlement Receivable – Part A	Day 16
935 Receivable – Part A and B	Day 41
Non-935 Receivable – Part B	Day 41

Assessment of Interest

Assessment of interest, as mandated by CMS, occurs on an overpayment balance that is not satisfied within 30 days of the refund letter (the calculated 30 days includes the date of the refund letter). Interest accrual is based on a 30-day period. Periods of less than 30 days will not be counted. Interest will continue to accrue for each subsequent full 30-day period that the overpayment is not satisfied.

Example

If the overpayment is satisfied on the 36th day, 1 month of interest will be accrued (1 for the first 30 days and none for the 31st through the 36th day because it is not a full 30 day period).

If the overpayment is satisfied on the 63rd day, 2 months of interest will be accrued (1 for the first 30 days, 1 for the 31st through the 60th day and none for the 61st day through the 63rd day because it is not a full 30 day period).

For Solicited Cash, interest will be reviewed to determine if it was assessed appropriately. If interest was assessed in error, it will be returned.

