



PAYMENT POLICY		
Overpayment		
Original Date Approved	Effective Date	Revision Date
	1/1/2026	11/13/2025
Applies to Products:		
☒ Senior Care Options (FIDE-SNP) ☒ One Care (FIDE-SNP)		

PAYMENT POLICY STATEMENT:

This payment policy establishes CCA's overpayment policy for all products in accordance with state and federal guidelines.

DEFINITIONS:

Overpayment: Payments to a provider/supplier more than amounts due or payable under existing network contracts, laws and regulations.

Negative Balance: A dollar amount owed to CCA that is reflected on the summary page of the EOP. Negative balances are created when CCA retracts a previously paid claim. When a paid service is retracted on an EOP, the amount retracted becomes a negative or "owed" dollar amount.

Fraud, Waste, & Abuse (FWA): Misrepresentation or intentional misuse of resources, funds, or services in a healthcare setting.

Coordination of Benefits (COB): A process of determining payment responsibilities when individuals are covered by more than one insurance company/health plan.

Crossover Claims Methodology: Methodology utilized by CCA for processing dual eligible claims in accordance with Medicare and MassHealth rules and guidance. CCA pays the Medicare portion of a given dual eligible claim as primary payer; CCA then pays the MassHealth portion of the claim, which is calculated as either (a) its maximum allowable amount for the service less the Medicare payment already made, or (b) the remaining balance on the claim, whichever is less.

Third-Party Liability (TPL): Occurs when members are injured as a result of an accident when another party may be liable for the payment of the member's medical claims. The most common types of TPL cases are motor vehicle accidents, Workers' Compensation injuries, work-related or occupational injuries, and slip-and-fall injuries.

Subrogation: A liability recovery activity in which medical costs that are the result of actions or omissions of a third party are recovered from the third party.



Explanation of Payment (EOP): Also known as a remittance advice; a document sent to providers after a claim for a specific date of service has been processed by a health plan that provides payment information or reason for non-payment.

Claim Adjustment Reason Code (CARC): A standard code used in the healthcare industry to communicate why a claim or service line was paid differently than it was billed.

Remittance Advice Reason Code (RARC): A standard code used to provide additional explanation for an adjustment already described by a CARC or convey information about the remittance processing.

Lesser of Logic: Logic applied where a claim pays lesser of the billed charges or the contracted/fee schedule rate not to exceed claim billed charges.

AUTHORIZATION REQUIREMENTS (If applicable):

N/A

REIMBURSEMENT GUIDELINES:

CCA, or an affiliated vendor on behalf of CCA, reserves the right to review claims for overpayments and recover any overpaid amounts identified. Overpayments may include but are not limited to the following:

- Services provided when a member is retroactively determined to be inactive/not enrolled with CCA;
- Services rendered by a provider that is not eligible for payment in Medicare, and/or not enrolled in MassHealth, as determined by the provider type/specialty and service rendered;
- Services that are non-covered;
- Services reimbursed at incorrect rates;
- Services reimbursed via upcoding/code inflation or exceeding the benefit limit;
- Services receiving duplicate payment;
- Services that involve COB, TPL, or subrogation that were reimbursed in error;
- Services that are deemed payable by Medicare directly (i.e., Hospice);
- Services rendered that are out of scope for the provider type/specialty;
- Services that are not considered medically necessary;
- Services rendered without proper documentation when necessary for payment;
- Services reimbursed without prior authorization;
- Payment that exceeds billed charges when “lessor of” logic applies;
- Payments received due to incorrect application of Crossover Claims Methodology in processing of applicable claims;
- Payment received due to processing and/or administrative errors;
- Payment received due to billing errors (i.e. inappropriate procedure code, diagnosis, modifier, or place of service, etc.); and
- Payment for services that were not performed (Fraud Waste and Abuse (FWA)).



In the event an overpayment is discovered by CCA, or an affiliated vendor acting on CCA's behalf, CCA or the affiliated vendor may provide 30-day notification to the provider(s) of the overpayment. If CCA does not receive a response, the overpayment will be recovered and reflected in the EOP with applicable CARCs/ RARCs. If the provider believes this overpayment was recovered in error, the provider may submit a payment dispute within timely filing guidelines as outlined in the CCA Provider Manual (Section 6: Claims and Billing Procedures). Claims reconsideration requests received after the prescribed timeframe will not be considered. In cases where contracted/delegated providers have contract language with specific filing deadlines, CCA will follow the deadlines outlined in the provider contract. CCA may not give the 30-day notice for situations such as eligibility-based recoveries and FWA.

CCA may recover all overpayments in accordance with the overpayment recovery lookback periods permitted by applicable state and federal laws and regulations.

There are times when an overpayment will create a negative balance due to a retraction. When a negative balance occurs, CCA will recover the dollar amount by using other claims payments as credits to satisfy the negative balance. When the negative balance amount exceeds the credit amount available on the EOP, the negative value will be carried to a future EOP until the balance is satisfied. Balance amounts may change as claims are processed and reviewed. Retractions can result in a new negative balance, even after a previous negative balance has been resolved. Instances where a retraction can lead to a negative balance include but are not limited to:

- Duplicate payment;
- Payment to the wrong provider;
- Payment for the wrong member;
- Retroactive termination of a member;
- Overpayment identified through internal or external audits; and
- Payment adjustment from rate changes/corrections (i.e. claim should have been paid at contract rate).

In accordance with 42 C.F.R. § 438.608, CCA requires providers to report any overpayment that has been received by the provider. The overpayment must be returned to CCA within 60 calendar days after the date on which the overpayment was identified and to notify CCA in writing of the reason for the overpayment. The provider must either send a check for the overpayment amount or request that CCA retract the payment from future claim submissions. The provider must indicate in writing the reason for the refund and include the EOP(s) of the affected claims highlighted or marked for reprocessing purposes.



Retraction requests must be submitted with the Request for Claim Review Form with written details describing the discrepancy in payment (see reference section below for the link to the form). The corresponding EOP must be attached. Any identified overpayments sent via check or via retraction request may be sent to:

Commonwealth Care Alliance Inc

PO Box 830412

Philadelphia, PA 19182-0412

OR

Overnight Address:

PNC Bank c/o Commonwealth Care Alliance

Lockbox #830424

525 Fellowship Road #330

Mt. Laurel, NJ 08054-3415

RELATED SERVICE POLICIES:

[Claims Reconsideration](#)

Fraud, Waste, and Abuse

AUDIT and DISCLAIMER:

As every claim is unique, the use of this policy is neither a guarantee of payment nor a final prediction of how specific claim(s) will be adjudicated. Claims payment is subject to member eligibility and benefits on the date of service, coordination of benefits, state and federal cost sharing rules, referral/authorization, utilization management guidelines when applicable, adherence to plan policies and procedures, and claims editing logic. CCA has the right to conduct audits on any provider and/or facility to ensure accuracy and compliance with the guidelines stated in this payment policy. If such an audit determines that a provider/facility did not comply with this payment policy, CCA has the right to recover refunds from provider/facility for all payments related to non-compliance. CCA reserves the right to amend this payment policy at its discretion. CPT and HCPCS codes are updated as applicable; provider/facility shall adhere to the most recent CPT and HCPCS coding guidelines.

REFERENCES:

CCA Request for Claim Review Form

<https://www.commonwealthcarealliance.org/wp-content/uploads/2021/04/Interactive-appeal-form-final-aug-2013.pdf>



CCA Provider Manual

<https://www.commonwealthcarealliance.org/ma/wp-content/uploads/2024/12/Commonwealth-Care-Alliance-2025-Provider-Manual.pdf>

CMS MLN Fact Sheet Medicare Overpayments

<https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnproducts/downloads/overpaymentbrochure508-09.pdf>

MassHealth 130 CMD 450.000 All Provider Manuals Subchapter 2 Administrative Regulations

<https://www.mass.gov/doc/administrative-and-billing-regulations-for-all-masshealth-providers-0/download>

CMS Medicare Program Integrity Manual Chapter 8 – Administrative Actions and Sanctions and Statistical Sampling for Overpayment Estimation

<https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/pim83c08.pdf>

<https://malegislature.gov/laws/sessionlaws/acts/2019/chapter41>

Readmission policy

<https://www.commonwealthcarealliance.org/documents/readmission-within-30-days/>

POLICY TIMELINE DETAILS:

1. Effective: July 2020
2. Revision: November 2021, added Medicare Advantage Part D(MAPD)
3. Revision: June 2022, updated formatting
4. Revision: September 2022, updated Claims Overpayment address
5. Revision: May 2023, add Medicare Premier – (PPO) MA* product, removed PO Box 548, NH, 03840. Added the current address, PO Box 844826, Boston, MA 02284-4826
6. Revision: November 2025, added definitions, modified overpayment criteria, added CCA 30-day provider notification language, added negative balance information, added lookback periods, updated references, and updated address from PO Box 844826, Boston, MA 02284-4826 to Lockbox #830412, 525 Fellowship Road #330, Mt. Laurel, NJ 08054-3415