

County of San Diego, Health and Human Services Agency (HHS)A)
Medi-Cal Program Guide

Subject: Overpayments

Number

16.02

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Issue Date:

3/10/2015

Effective Date:

Upon Receipt

Background:

This section provides regulations regarding:

- identifying and computing potential overpayments
- referring potential overpayments to the Department of Health Care Services (DHCS) Investigations Branch

Policy:

1. Definition of potential overpayment:

There is a potential overpayment when:

- A beneficiary is over property for an entire month.
- A competent beneficiary or key person provided incorrect information or failed to report within 10 days any change in information that affects eligibility or would cause an increased SOC.
- A beneficiary fails to report other health coverage.

There is no potential overpayment in the following situations:

- Administrative error caused the ineligibility or understated SOC.
- The change was reported within 10 days, but the change could not be made until the following month due to timely Notice of Action (NOA) requirements
- The change is reported more than 10 days after the change has occurred, but the worker can send a change NOA timely.
- The change has no impact on the eligibility or SOC in that month.
- The beneficiary or key person was not informed of their reporting responsibilities.
- The worker completed the statement of facts using diligent search procedures and later discovers information that would cause ineligibility or understated SOC.
- The beneficiary becomes incompetent at the time of the change or during the 10 day reporting period. If competency is questionable, the worker must treat the ineligibility or understated SOC as a potential overpayment.
- The key person has no knowledge of income or resources

2. Potential vs. Actual Amount:

The actual amount of the overpayment is unknown until the actual amount of Medi-Cal benefits used is determined by DHCS.

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3. When to refer to DHCS investigations:

- Refer potential overpayments to DHCS Investigations when the potential overpayment amount is over \$100.00.
- Do not refer to DHCS if the potential overpayment (SOC, excess property, ineligibility and wages) is estimated to be under \$100.00.
- When the potential overpayment for the entire period will obviously be under \$100.00, note in the case file and take no further action.

4. Documentation:

Document all decisions regarding potential overpayment actions in the case file, including the reasons for evaluating a potential overpayment, referring the overpayment to DHCS or not referring to DHCS.

Procedure:

The following procedures can be found in the Medi-Cal Overpayment Processing Guide:

- Worker responsibilities for calculating overpayments
- How to calculate a potential overpayment
- Completing referrals to DHCS Investigations

Impacts:

Medi-Cal

References:

[MEM 50783](#)

[MEM 21M-1 – 21M-8](#)

[MEM 50781](#)

[MEM 50786](#)

[MEM 50163](#)

[ACWDL 01-38](#)

[ACWDL 00-20](#)

[ACWDL 89-24](#)

Sunset Date:

This policy will be reviewed for continuance by 3/10/2018.