

Report on Medicare Compliance Volume 27, Number 38. October 29, 2018 Provider Settles 60-Day Rule Case; Contractor Letters Now Include Refund Obligations

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In a case about the 60-day overpayment rule, Southern Cancer Center in Alabama agreed to pay \$538,545 in a civil monetary penalty (CMP) settlement for allegedly keeping money owed to Medicare and Medicaid too long after realizing it was due. The 60-day rule is considered fertile ground for enforcement actions, and its obligations are turning up in letters to providers from program-integrity contractors.

The HHS Office of Inspector General (OIG) alleged that Southern Cancer Center allowed the accrual of overpayments from March 21, 2007, to Feb. 1, 2017, and failed to timely return them after they came to light, according to the settlement. The overpayment rule requires providers to report and return Medicare and Medicaid overpayments 60 days after identifying them. Southern Cancer Center came forward on its own and was accepted into the OIG Self-Disclosure Protocol in November 2017, the settlement states.

When hospitals and other providers knowingly hang onto overpayments, they are at risk of a False Claims Act lawsuit, and there have been several settlements in this area (RMC 9/5/16, p. 1).

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