



**CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES**

Steven L. Beshear
Governor

Division of Program Integrity
275 E. Main Street, 6E-A
Frankfort, KY 40621-0001
(502) 564-5472
Fax: (502) 564-3232
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Janie Miller
Secretary

Neville Wise
Acting Commissioner

February 21, 2011

Dear Kentucky Medicaid provider:

Healthcare Reform has brought about many changes that will affect you and the Department for Medicaid Services. In order to ensure compliance with those changes we are endeavoring to alert you on issues that affect payments and which could be audited by CMS in the future.

Pursuant to Section 6402(a) of the Patient Protection and Affordable Care Act (Public Law 111-148 and amended by Public Law 111-152), Medicaid providers who identify an overpayment are required to report and refund the overpayment to the state, the later of 60 days from identifying the overpayment or the due date of the cost report (as applicable). This provision took effect on March 23, 2010. The same provision also requires that the provider notify the state in writing to whom the overpayment was returned and the reason for the overpayment.

In order to stay compliant with the law, providers who identify they have a Medicaid overpayment should send a check made payable to the Kentucky State Treasurer in the amount of the overpayment, and include a detailed explanation of the findings to:

Division of Program Integrity
Attn: Overpayments
275 E. main Street, 6E-A
Frankfort, KY 40621

If you have any questions regarding the return of overpayments, you may contact the Division of Program Integrity at (502) 564-5472.

Sincerely,

A handwritten signature in cursive script that reads "Angie Lawrence".

Angie Lawrence
Director, Division of Program Integrity

CI/adl