TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER at El Paso
POLICY AND PROCEDURES

Revised Date: 03/21/2025   Effective Date: 03/21/2025

Prepared by: Approved by:

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TITLE: **REFUNDS**

Policy#:   **ACC #7**

1. POLICY

   The purpose of this policy is to establish rules and guidelines for processing Patient and Insurance refunds. As of January 1, 2022, federal law prohibits health care providers and facilities and air ambulance service providers from balance billing for certain items and services. It also requires Texas to enforce state laws against balance billing and manage its IDR system for state-regulated health plans.

   Balance billing can occur when consumers receive healthcare or medical supplies from out-of-network healthcare providers, such as doctors, hospitals, or labs and the out-of-network providers do not have a negotiated contract with our health plan.

   TTUHSC EP's policy is to not balance bill the accounts associated with non-contracted insurance companies. TTUHSC EP's MPIP Billing Office is required to accept the approved amounts of insurance carriers and only bill individuals for outstanding deductibles and copayment amounts. Please note, the amount collected can never exceed the approved amount for the provided services.

2. PROCEDURES

   a) Refund checks are processed 2-3 times a week except the last day of the month, in order for the department to close month end books.

   b) Patient and Insurance refunds are identified and worked in CBiz ETM Credit Balance Task Manager Workflows by View Age (V Age). Invoices are worked by oldest V Age first. Not to exceed 60 days V Age for Insurances and 30 days for Patient refunds.

   c) Special consideration is placed for refund requests from Compliance, Audit, Clinical Departments, Insurance Payors and/or Patient requests.

   d) PATIENT REFUNDS

1. Sr. MBA thoroughly reviews the entire patient account to see if there are any invoices where patient credit can be applied, such small balance adjustments, collection agency balances or outstanding self-pay balances.

2. After analyzing patient account, if there is a credit remaining the patient invoice is FSC'd at Refund in Process (RIP) and patient account ledgers are exported from CBiz and saved in the S Drive for Medical Billing Manager/Audit review.

3. A "Patient (PT) Refund Spreadsheet" with a maximum of 10 patient refunds is prepared and submitted to Medical Billing Manager for review and approval.

MPIP Refund Rep:	
MPIP Refund Rep. Initials:	
Approver's Name:	
Approver's Initials:	

		(Refund Team) Turn in Date:		(EL) Received Date:	
File Name	1st Correction to Rfnd Team	(EL) Returned for Correction Date:		(Refund Team) Received Date:	
Batch #	1st Correction processed	(Refund Team) Turn in Date:		(EL) Correction Received Date:	
	2nd Correction to Rfnd Team	(EL) Returned for Correction Date:		(Refund Team) Received Date:	
	2nd Correction processed	(Refund Team) Turn in Date:		(EL) Correction Received Date:	

	MRN#	Invoice #	Payable to	Address	Review Date	Review by	Reason for Refund	Refund Amount	Approved Date	Approved by	Doc Ref #
1							PT OVPD Copay				
2							PT OVPD Copay				
3							PT OVPD Copay				
4							PT OVPD Copay				
5							PT OVPD Copay				
6							PT OVPD Copay				
7							PT OVPD Copay				
8							PT OVPD Copay				
9							PT OVPD Copay				
10							PT OVPD Copay				

Total Approved Refund Amount   -

Approved by: _____   Date: _____

4. Medical Billing Manager reviews and approves patient refund requests listed on the spreadsheet. Upon Manager approval they are routed to Sr. MBA to submit refund check request. Denied patient refund request are returned to Sr. MBA for corrections.

5. PATIENT check requests are submitted via the MPIP Patient Refund System.

    Log in to –https://busaff.elpaso.ttuhsc.edu/MPIPPatientRefunds
    Select Submit Refund
    Select "One Time Vendor" and fill in (copy paste information using the PT Refund Spreadsheet) the required information listed below.

    Patient Refunds:
            1. One Time Vendor
            2. Enter patient's name
            3. Enter address
            4. Enter City
            5. Enter State
            6. Enter Zip Code

7. Enter Total Amount
8. Enter Invoice number
9. Enter Refund Description
10. Click on Add row
11. Click Submit
12. System assigns an IO unique number to that check

e) INSURANCE REFUNDS

1. Patient account credits in CBiz are thoroughly reviewed by Sr. MBA and corrected if needed. (Ex: adjustment/posting corrections)

2. Identified overpayments to Insurance payors are prepared for refund.

3. Insurance credits are FSC'd at Refund in Process (RIP) in CBiz by Sr. MBA.

4. Patient invoice, Explanation of Benefits (EOB) and any other relevant documentation is exported and saved in the S drive for Medical Billing Manager/Audit review.

5. An "Insurance (INS) Refund Spreadsheet" with a maximum of 10 insurance refunds is prepared and submitted to Medical Billing Manager for review and approval.

Name:	Sr. MBA / MBA Name							Attempt #1						Attempt #2							
Batch #	Month / #						ERIKA LARREA			STATUS APPROVED D			ERIKA LARREA			STATUS APPROVED D			REFUND STAFF		LOURDES
INVOICE #	PATIENT NAME	INSURANCE NAME	REASON FOR REFUND	EXCEPTION NOTE	INDIVIDUAL AMOUNT	TOTAL CK AMOUNT	DATE RECEIVED	RECEIVED BY		NOTES	RETURNED DATE	RECEIVED BY	RECEIVED D BY	DATE RECEIVED	RECEIVED D BY	RETURNED DATE	RECEIVED BY	RECEIVED D BY	ENTERED DATE	IO#	CHECK APPROVED
TOTAL					$.	$.															

6. Medical Billing Manager reviews documentation and validates the credit. Approved insurance refunds are given to Sr. MBA to submit the refund check request. Denied insurance refunds are returned to Sr. MBA for corrections.

7. Approved check requests are entered into MPIP Patient Refund System for final approval from Medical Billing Manager.

8. INSURANCE check requests are submitted via the MPIP Patient Refund System.

Log in to –https://busaff.elpaso.ttuhsc.edu/MPIPPatientRefunds
Select Submit Refund
Select Standard Vendor and fill in (copy paste information using the INS Refund Spreadsheet) the required information listed below.

Insurance Refunds:

1. Search vendor, verify address and select the correct payor address listed on EOB documentation
2. Enter Total Amount
3. Enter Invoice number
4. Enter Refund Description

     5. Click on Add row
     6. Click Submit
     7. System assigns an IO unique number to that check

9. All approved checks (PT and INS) are entered into MPIP Patient Refund System for final check approval from Medical Billing Manager.

10. Once refund check is available. Patient refund checks are mailed out to the patient. Refund checks along with the Explanation of Benefits (EOB) are mailed out to the respective insurance payor.

f) IDX SCRIPT FILE

1. Approved checks are printed by Medical Billing Manager the next business day via EVISION/IntelleCheck application.

2. El Paso Financial Reporting emails Refund team "El Paso Refund Check Prev Day" report daily, detailing all issued refund checks from the day before.

Texas Tech University Health Sciences Center								
El Paso Refund Checks								
Check Date: 04-05-2022								
Campus	Bk	Desc	Type	Ck Number	Ck Date	Vendor	Invoice	Amount
El Paso	48	HSC El Paso Patient Refunds	B	12345	04-05-2022	Insurance Name	IO012	200.00
		HSC El Paso Patient Refunds		12346	04-05-2022	PT Last Name, First Name	IO013	20.00

3. A report from MPIP Patient Refund System is exported and used to balance against the "El Paso Refund Check Prev Day" report to ensure accuracy.

Recipient Name	Invoice Number	Total Amount	DocRef	IO #	Date Created	Date Approved	Entered By	Prepared By
Insurance Name	124	$200.00	3E98E4CA	IO012	04/05/2022	04/05/2022	MBA/Sr. MBA	MBA/Sr. MBA
PT Last Name, First Name	123	$20.00	0204DE8E	IO013	04/05/2022	04/05/2022	MBA/Sr. MBA	MBA/Sr. MBA

4. Both reports are combined and essential information (Invoice #, Amount, IO#, CK#, Refund type, requestor initials) needed for scripting is extracted.

5. An IDX script is created and relevant refund information is posted into the patient's account in CBiz.

Invoice	Amount	Comment
124	200	IO012.Ck#12345.Rfd-Insurance Name.Sr MBA/MBA Initials
123	20	IO013.Ck#12346.Rfd-PT.Sr MBA/MBA Initials

g) REFUND EXECEPTION REPORT

Once refund script is posted in IDX, a batch activity report (Batch Recon Rpt) is exported from CBiz using the batch number utilized to script the patient and insurance refund checks. This report identifies invoices containing any balance other than zero. An email is sent out to the Refund Team identifying these invoices for the team to review, research and correct. Sr. MBA will replay to all carbon copied team members and notify team once these have been reviewed and corrected.

h) YEARLY STALE DATED PROJECT

A list of refunds checks that are currently stale is emailed from Accounting Services. The list includes checks that are 180 days or older and have neither cleared the bank or been cancelled. Refund team completes the project and submits cancellation requests to Accounting Services no later than May 31st.

Guidelines to help decide if a check should be cancelled or go to unclaimed property.

- Never send insurance companies to unclaimed property. If they refuse the check or say it is not owed to them, then we just cancel the check because they more than likely recouped the money elsewhere. Simply state on form "Insurance company refused".

- If a patient says they do not want the check, then we just cancel the check. We do not send it to unclaimed property. Simply state on form "Patient refused check".

- If a patient is deceased and you have contact information for family, find out if they left a will stating who took over the estate. If there is a will, then cancel the check and reissue to "Estate of deceased patient". Do not reissue under a family members name. If they have the appropriate paperwork, they will be able to deposit the check written to "Estate of deceased patient". If a patient is deceased and there is no family or no will, then send the check to unclaimed property. If you cannot locate any family, simply state on form "Patient deceased. Unable to locate family." If you have contacted family and there is no will for deceased patient, simply state on form "Patient deceased. Patient did not have a will."

- Per OP 50.13 "each applicable check-writing department will be required to mail a notice in March to all owners of property over $250 that is due to be included on the July report. The written notice must be mailed in March and no later than April 1. Owners will then have the months of April through June to claim their property. Copies of the mailed notices should be retained by each applicable check-writing department originating the unclaimed property request. The copies should be available for review and examination by the State Auditor, Internal Auditor, other external auditors, or duly authorized individuals. Copies of the notices will be surrendered to a requesting individual only after the department has determined that this individual is authorized to review and examine such documents and then only upon written request from the authorized individual."

- Refer to Exhibit A for additional internal MPIP Refund department guidelines for state dated check processing.

i) RECONCILIATION

Refund issued checks are reconciled monthly by PLFSOM. All related Refund transactions are exported from CBiz. A detailed Banner transaction report is downloaded from Cognos. Both reports are analyzed and reconciled against each other to ensure transaction activity balance in both applications.

j) CHARGE CORRECTION REFUNDS

Charge corrections are the exception to this policy. Refer to Charge Correction policy BIS 19.