

# **DMA ADMINISTRATIVE LETTER NO: 25-02, EPICS – Notice of Overpayment for Medical Assistance (DMA-8010)**

**DATE:** MAY 31, 2002

**SUBJECT:** EPICS – NOTICE OF OVERPAYMENT FOR MEDICAL  
ASSISTANCE (DMA-8010)

**DISTRIBUTION:** COUNTY DIRECTORS OF SOCIAL SERVICES  
PROGRAM INTEGRITY STAFF  
MEDICAID INCOME MAINTENANCE STAFF

## **I. EFFECTIVE DATE**

Effective June 1, 2002, EPICS will produce the DMA-8010, Notice of Overpayment for Medical Assistance. The automated DMA-8010 will be produced and mailed to each individual debtor when:

- A. A period of ineligibility and an overpayment amount is established, and
- B. An overpayment is established for the Medicaid or NC Health Choice (NCHC) claim, and
- C. The Program Integrity Investigator moves the EPICS claim into collection status (CO).

The purpose of the automated DMA-8010 is to notify each EPICS debtor of the initial amount of the medical assistance overpayment (Medicaid or NCHC) once the Program Integrity Unit's investigation establishes a period of ineligibility for Medicaid or NCHC and the amount of the overpayment. The DMA-8010 does not take the place of the DSS-8110 that the Income Maintenance Caseworker sends when a change is proposed to modify or terminate ongoing Medicaid benefits.

## **II. EPICS AUTOMATED NOTICE**

- A. EPICS will produce the DMA-8010, Notice of Overpayment for Medical Assistance, for each debtor when the claim goes into collections status. (See [Figure 1.](#)) The notice fields will be populated based on data in EPICS.
  - 1. The amount the debtor owes is based on the "Overpayment Amount" from the Claim Detail screen.
  - 2. The overpayment period is based on the "from" and "to" period from the Claim Detail screen. When there are multiple overpayment periods, the "from" date is the first date on the screen and the "to" date is the last date on the screen.

- B. EPICS will produce and mail the DMA- 8010 to the debtor(s) listed in EPICS when the Medicaid or NCHC claim goes into collection status.
  - 1. If there are multiple debtors, each debtor will receive a separate notice.
  - 2. When a new debtor is added to a claim that is already in collection status, a DMA-8010 will be produced and mailed to the new debtor.
  
- C. The DMA- 8010 will be produced and mailed to the debtor the next business day after the EPICS referral status is changed to "CO" status.
  - 1. The claim type must be IHE or IPV.
  - 2. Once a debtor has received a DMA-8010, the debtor will not receive another DMA-8010 if the claim type changes.
  
- D. Each DMA-8010 will be mailed to the mailing address entered on the Debtor Detail screen for each debtor in EPICS.
  - 1. If the DMA-8010 is returned to the agency with no forwarding address, the Program Integrity Unit is responsible for searching all available sources for a mailing address and forwarding the notice to the debtor.
  - 2. If no address is listed for the debtor on the Debtor Detail screen, EPICS will send the DMA-8010 to the county department of social services' address for the county responsible for the referral. That county's Program Integrity Unit is responsible for searching all available sources for a mailing address and forwarding the notice to the debtor.
  - 3. If an address is located, update the notice mailing date, the mailing address, and the 60-day hearing date on the DMA-8010 and forward to the new address. File a copy of the revised notice in the case record and document the forwarding address in the case record
  - 4. If no alternate address is located, file the DMA-8010 and documentation of all sources searched for an address in the case record.
  
- E. EPICS will populate the date the DMA-8010 is mailed to the debtor in the Letter of Overissuance (LOI) date field on the Debtor Detail screen.
  
- F. EPICS will produce a daily report (FRD433, Letter of Overissuance Report) listing all debtors that were mailed a Notice of Overpayment. The report includes the debtor's name and SSN, the EIS program code and case ID, the EPICS referral number, the date the notice was mailed and the 60-day appeal date.

- G. The automated DMA-8010 is produced in English. A statement in Spanish at the bottom of the DMA-8010 informs the debtor to contact the county department of social services shown on the notice if he needs assistance interpreting the notice.
1. A manual Spanish version of the notice, the DMA-8010S, is available for Spanish speaking debtors. (See [Figure 2](#).)
  2. When the investigator is aware that a debtor only reads Spanish, it is recommended that the investigator complete and mail the manual DMA-8010S to the debtor the same day the EPICS claim goes into "CO" status. File a copy of the manual DSS-8010S in the case record as documentation.
- H. The DMA-8010 provides the amount of the initial overpayment entered in EPICS at the time the claim goes into collection status.
1. The automated Notice of Overpayment explains to the debtor that the overpayment amount shown on the DMA-8010 is based on the medical expenses paid to date. The debtor **must** be notified if the amount of the overpayment changes (increases or decreases).
    - a. The Program Integrity Investigator must send a subsequent letter notifying the Medicaid debtor(s) of the change in the overpayment amount if it increases or decreases.
    - b. Send the letter notifying the debtor(s) of the increase or decrease in the overpayment amount every time the amount is changed in EPICS.
    - c. See [Figure 3](#) for a suggested format for this letter when the overpayment increases or decreases.
  2. The overpayment amount will increase if additional claims are paid for medical expenses incurred during the period of ineligibility. In addition, the overpayment amount may increase or decrease if the period of ineligibility changes.
  3. The initial overpayment amount often increases for Medicaid debtors since Medicaid providers have at least twelve months from the date of service to file claims for medical services. (Note: The overpayment amount for NCHC debtors will not change since the overpayment is based on the monthly premiums paid during the period of overpayment rather than the actual claims paid.)
- I. The DMA-8010 instructs the debtor to contact the county Program Integrity Investigator to set up a voluntary repayment agreement if he has not previously made arrangements for full repayment of the debt.

### **III. HEARING RIGHTS**

The DMA-8010 gives the debtor sixty-days (60) (or 90 days if the debtor has good reason for delay) to appeal if he disagrees with the debt. The debtor has the same rights to a hearing as they do for other benefits notifications. Follow the guidelines in MA-2420 for the hearing process when the debtor requests a hearing.

If you have any questions about this policy, please contact your county's Medicaid Program Representative or the Quality Assurance Section's Recipient Investigations Unit for assistance.

Nina M. Yeager  
Director

[Brenda Porter, Recipient Investigations Coordinator, in the Quality Assurance Section prepared this material.]