CHAPTER 13-001 MEDICAID BENEFITS PROVIDED IN ERROR:

13-001.01 Repayment of Medicaid Benefits Provided in Error: When an error has occurred in the amount of Medicaid benefits received by the client because of erroneously reported income or changes in income and/or private health insurance premiums (not Medicare), Form IM-64 shall be sent to the client requesting voluntary repayment in the following situations:

1. The client failed to report a change timely and the amount of benefits in error is $76 or more;
2. The client reported a change timely but the Department failed to take action in the first month possible and the amount of benefits in error is $251 or more; or
3. The client failed to report a change timely, the Department failed to take action in the first month possible, and the amount of benefits in error is $251 or more.

In determining if there was an error in Medicaid benefits and the period for which repayment should be requested, it must be noted that the client is allowed ten days to report a change and must be given a ten-day notice of an adverse action.

When repayment is requested, voluntary restitution should be attempted from the client effective with the first month that the budget should have been correctly adjusted.

Note: In cases of suspected fraud, the case shall be referred via Form ASD-63 to the Special Investigation Unit. Once a case has been referred to the Special Investigation Unit, no action shall be taken with regard to the prosecution of the suspected fraud except in accordance with instructions or approval by the Special Investigation Unit. However, normal case actions shall be completed, including closing a case that is found to be ineligible and recovering benefits received in error.

13-001.02 Amount of Benefits in Error: The amount of benefits in error for a client who was Medicaid eligible, but should have been Medicaid with a Share of Cost, or who was Medicaid with a Share of Cost but who should have had a larger Share of Cost, is the smaller of:

1. The amount of Medicaid services received for that month; or
2. The amount of Share of Cost in error.