

South Carolina  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
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March 30, 2007

# MEDICAID BULLETIN

*HOS-IP-GEN* 07-08  
*HOS-IP-IMD* 07-09  
*HOS-IP-RTF* 07-09  
*HOS-OP* 07-10

**TO: MEDICAID PROVIDERS INDICATED**

**SUBJECT: CREDIT BALANCE REVIEW PROJECT**

The South Carolina Department of Health & Human Services (SCDHHS) is commencing a Credit Balance Review project. We have enlisted our Medicaid Insurance Verification Services (MIVS) contractor, Affiliated Computer Services (ACS), and their subcontractor, Health Management Systems (HMS), to carry out this initiative.

A Credit Balance is a positive amount that remains in a patient's account which may have resulted from multiple reimbursements from several payers, adjustments to previously paid claims of a provider, or subrogation events due to accidents and other injury cases. When another third party payer reimburses a provider for claims that Medicaid paid, either in part or in full, a refund is due the Medicaid Program. Under federal regulations, the Medicaid agency must take all reasonable measures to ensure that it is the payer of last resort. A Credit Balance review is one of many methods that provide this assurance for compliance.

The intent of this review is not to supplant the efforts of routine health insurance recoveries through normal cost avoidance methods and restricted retroactive look-backs. Moreover, the aim is to address processes and/or procedures that may lead to the occurrence of a credit balance, and to provide education and monitoring for program adherence. The approach of our contractor is to perform a comprehensive assessment program that incorporates a review of provider billing records, fiscal records, and cash holding accounts. Minimal intrusion is expected as many reviews are often performed off-site.

Please be advised that you may be contacted should your records be selected for a review. The contractor will discuss time frames and other applicable parameters. The SCDHHS encourages your participation for a mutual benefit in the overall financing of the Medicaid Program.

Questions regarding this bulletin should be directed to the Third Party Liability Division at (803) 898-2630 or MIVS at (803) 933-1780. Your continued participation in the Medicaid program is appreciated.

/s/

Robert M. Kerr  
Director

RMK/wg

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