

# 2014 BWC Policy Alert

**2014 BWC Policy Clarification****Date: February 2014****Clarification # 02-2014-02: Overpayment recovery****Clarification as to when to use the alternative dispute resolution (ADR) appeal process in overpayment recovery****Purpose**

This BWC Policy Alert clarifies when the ADR process is applicable in the recovery of overpayments.

**Issue**

In recovering overpayments, managed care organizations (MCOs) have failed to use the ADR process when a provider appeals the overpayment recovery and asserts that the treatment was medically necessary and related to the allowed condition. MCOs have incorrectly proceeded with the recovery action on the basis that the provider failed to submit documentation supporting the appeal.

**Conclusion**

When a provider appeals the recovery on the basis that the treatment was medically necessary and related to the allowed condition, the MCO shall stop the recovery process and implement the ADR process. The MCO shall consider the appeal the provider submitted as an ADR appeal. The receipt date of the provider's appeal by the MCO shall be day one of the ADR process. The MCO shall follow the criteria for ADR appeals outlined in chapter 5 of the MCO Policy Reference Guide.

**Reference policy**

MCO Policy Reference Guide, Chapter 8

**Location**

<https://www.bwc.ohio.gov/provider/services/MCOPolicyGuide.asp>