Processing an Insurance Retraction, Takeback, or Recoupment

Last Modified on 08/20/2019 3:52 pm EDT

Version 14.19

Overview

In some cases, insurance companies will take money back on Claims that they have partially or fully paid to a Provider, due to, but not limited to the following:

- Paid in Error
- Benefits were retro-terminated
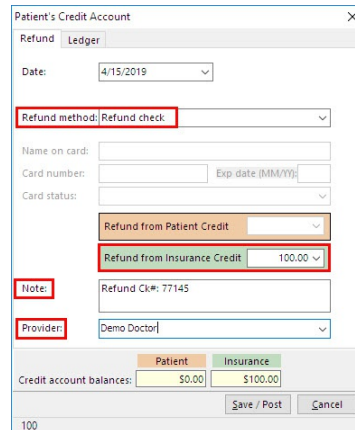- Additional information requested

Insurance payment retractions can be handled by the payer in one of two ways indicated below.

Processing Retractions

Scenario 1: The payer requested a refund check.

1. Open the **Patient Chart** for the Patient whose payment the Payer is retracting.
2. Click **Summary** to review the patient's **Insurance Credits.**

   - If there is an insurance credit, visit the **Credits** in the patient chart to ensure the credit can be used and proceed to Step 6.

3. If the money is not sitting as an Insurance Credit, click **Claims**.
4. Select the **Claim** whose payment is being retracted.
5. Click the **Recoup** button to delete the corresponding insurance payment and adjustment. An Insurance credit will be created.
6. Click **Credits**.

7. Click the **Refund** button.
8. Select **Refund Check** from the **Refund Method** drop-down menu.
9. In the **Refund from Insurance Credit** field, enter the amount that you are issuing back to the payer.
10. Enter the refund check information in the **Note** field for your records.
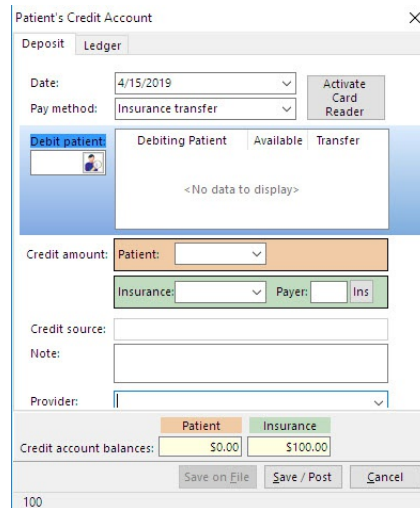11. Select the **Provider** on the Claim.

12. Click the **Save/Post** button when completed.

Scenario 2: The payer is retracting a payment and applying it to another patient on a remit.

The payer can enter the retraction on an EOB with payments for other patients, then reduce the check by the amount of the retraction. If this is the case, follow these steps:

1. Open the **Patient Chart** for the Patient whose Payment the Payer is retracting.
2. Click **Summary** to review the patient's Insurance Credits.

    - If the original payment is already applied to a Claim and not yet entered as an insurance credit, see **Un-applying** a retracted insurance payment. The original payment being retracted needs to be an Insurance credit.

3. When the remit containing the retraction is received, open the **Patient Chart** for a patient that is being paid on the remit.
4. Click **Credits**.
5. Click the **New Credit** button.
6. From the **Pay method** drop-down menu, select **Insurance Transfer**.

7. In the **Debit Patient** field, use the **Patient Search** button to search for and select the Patient to debit insurance credits from. The patient's name and amount available for transfer will populate in the table.
8. In the **Transfer** field, enter the **Amount** to transfer.
9. Click the **Ins** button to select the payer.
10. Enter the **Details** of this transfer in the **Note** field. Details may include EOB number and a brief explanation as to why the Patient received an Insurance Transfer.
11. Once the credit is entered, you can apply the credit as a **Payer Credit** to the patient's claim.

Version 14.10

Path: Smart Toolbar > Account button

Overview

In some cases, insurance companies will take money back on Claims that they have partially or fully paid to a Provider , due to, but not limited to the following:

- Paid in Error
- Benefits were retro-terminated
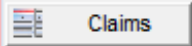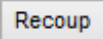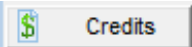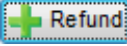- Additional information requested

Insurance payment retractions can be handled by the payer in one of two ways indicated below.
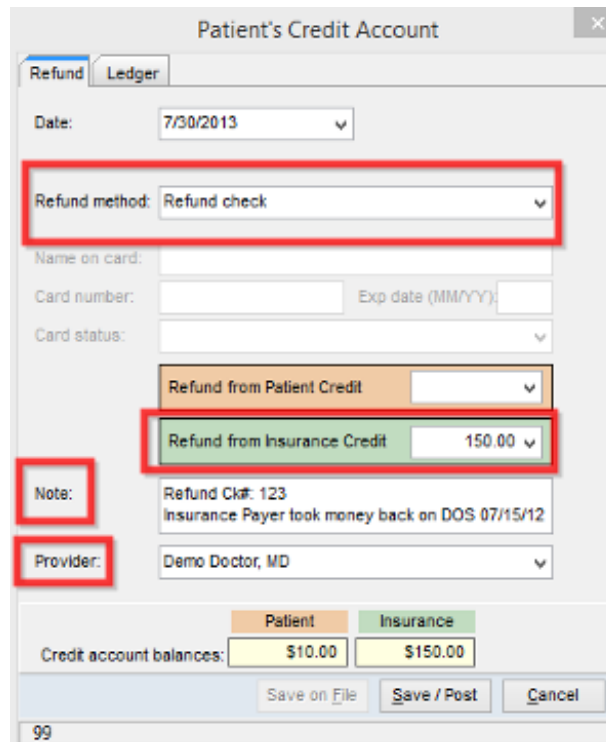
Processing Retractions

Scenario 1

1. From the **Smart Toolbar**, click the **Accnt** button

2. Search for the **Patient** [   ] .

3. If the money is not sitting as an Insurance Credit on the account, click the **Claims** tab

   [▤ Claims] .

   (if there is insurance credit already on the child's account, skip to Step 6).

4. Click on the **Claim** that money is being retracted and click the **Recoup** [Recoup] button to delete the corresponding insurance money. Clicking on Recoup will remove all corresponding Insurance payments and adjustments and create an Insurance credit on the Credits tab of the Patients Account.

5. If the insurance is requesting a check back for the recoupment, click the **Credits**

   [$ Credits] tab.

6. Click the **Add Refund** [✚ Refund] button.

7. From the **Refund Menu** drop-down menu, select **Check**.

8. Enter the **Amount** that you are issuing back to the payer in the **Refund from Insurance Credit** field.

9. Enter the **Refund Check Information** in the **Note** field, for your records.
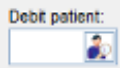
10. Enter **Data** in the rest of the **Fields** as applicable.

11. Click the **Save/Post button** when completed.

Scenario 2

The payer can enter the retraction on an EOB with payments for other patients, then reduce the check by the amount of the retraction. If this is the case, follow these steps:

1. Open the **Child's Account** that the money is being recouped from. If the original payment is already applied to a claim and not yet entered as an insurance credit, see **Un-applying** a retracted insurance payment.The original payment being retracted needs to be in the Patient's Account as an insurance credit.
2. When you receive the EOB with the retraction, open the**Patient's Account** for a patient that is being paid on the EOB.
3. Open the **Credits** tab on the Patient's Account.
4. Click the **Add Credit** button.
5. Select **Insurance Transfer** from the **Pay Method** field.
6. Select the **Debit Patient** [Debit patient:] search to choose the patient to debit insurance credits from.
7. Enter the **Details** of this transfer in the**Note** field. Details should include**EOB** number, a brief explanation of why this child received an Insurance Transfer. Once the credit is entered, you can apply the credit as a *Payer Credit* pay method to the claim paid on the EOB.