



INFORMATIONAL MEMO

TITLE:	CAPITATION RECOUPMENT FOR DECEASED MEMBERS
SUPERSEDES NUMBER:	N/A
EFFECTIVE DATE:	OCTOBER 7, 2020
DIVISION AND OFFICE:	HEALTH PROGRAMS OFFICE
PROGRAM AREA:	MANAGED CARE
KEY WORDS:	DATE OF DEATH, DECEASED, ELIGIBILITY, CAPITATION, RECOUPMENT, 834, 820, MANAGED CARE, MCE, DISENROLLED
INFORMATIONAL MEMO NUMBER: HCPF IM 20-055	
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HCPF Memo Series can be accessed online: <https://www.colorado.gov/hcpf/memo-series>

Purpose and Audience:

The purpose of this Informational Memo is to inform Managed Care Entities of capitation recoupment details related to deceased Members.

Information:

The Department of Health Care Policy and Financing (Department) is required under federal and state law to recover erroneously paid capitation and claim amounts paid on behalf of deceased members. In October 2019, the Department implemented better sourcing for capturing dates of death within our eligibility and claim systems. However, at that time the Department was limited in how far back we were able to recoup capitation payments incurred after death. In October 2020, new programming was implemented in the claims system that will recover any capitations paid between the actual date of death and when the date is posted in our system.

There will be a clean-up that addresses paid capitations for any Date of Death (DOD) received prior to the project production date. It will impact only capitation payments, and moving forward, managed care plans will be notified in the 834 file of members disenrolled with a reason of death.

The recoupments in the clean-up phase will capture recoupments that were paid for DOD not earlier than 3/1/2017 for MCEs. For the Regional Accountable Entity per member per month payment recoupments will occur for DOD not earlier than 7/1/2020. The recoupments will occur weekly except for the first capitation run of each month which is the first Thursday. The DOD reason will be delivered on the 834. There is currently no start date for this clean-up phase.

Beyond the initial clean-up, automated recoupments will be initiated one month following the posting of date of death in our system. For example, if a DOD of 5/20/2020 is received for a member on 10/12/2020, capitations will be recouped for 6/2020-10/2020 on 10/15/2020.

MCEs should continue to report deceased Member information to the Department whenever there is no record within the Provider Portal or the 834.

Attachment(s):

None

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