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DMHC Orders Anthem Blue Cross to Stop Attempting to Collect Millions from California Health Care Providers They Claim were Overpaid

(Sacramento) - The California Department of Managed Health Care (DMHC) today ordered Anthem Blue Cross (Anthem) to stop attempting to collect millions in reimbursement for medical claims that, according to the plan, were overpaid.

California law permits health plans to seek reimbursement for overpaid medical claims within one year of the payment date. For recoupment of claims more than one year old, health plans must demonstrate fraud or misrepresentation by the provider.

“Health care providers should not face unexpected demands for reimbursement of medical claims they believe were appropriately paid years ago,” said DMHC Director Brent A. Barnhart. “Health plans have one year to request reimbursement for medical claims they determine were overpaid. Anthem’s recoupment practices violate California law and are unfair to providers who are acting in good faith.”

Earlier this year, the DMHC concluded an investigation finding that between 2008 and 2011, Anthem sought reimbursement from at least 535 providers for claims that were more than one year old and, according to the plan, were overpaid. Anthem did not provide evidence of fraud or misrepresentation in any of the 535 cases.

To review the order visit: <http://healthhelp.ca.gov/library/reports/news/order071612.pdf>

The DMHC regulates managed care health plans in California, protects the rights of approximately 20 million health plan enrollees, educates consumers on their health care rights and responsibilities, and preserves the financial stability of the managed health care system. Since 2000, the department has helped more than 1 million Californians resolve health plan problems through its Help Center.

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