Notification Date:	10/15/2025
Claims Initiative Topic:	Clerical Overpayment Recoupment
Announcement:	72 Hour
Line of Business	Medicaid, Commercial, Health Advantage, and Medicare
Impacted Specialties:	Multiple
Status:	In Process
Estimated Completion:	12/1/2025

Initiative Description:

Following a post-adjudication audit, McLaren Health Plan identified claims that were inappropriately reimbursed. McLaren Health Plan and MDHHS aligns with CMS policy related to diagnostic and non-diagnostic services done within 3 days prior to and including the date of admission as included in the inpatient payment. Diagnostic and non-diagnostic services provided to a beneficiary by the admitting hospital or by an entity wholly owned or wholly operated by the admitting hospital are deemed to be inpatient services and included in the inpatient payment. This guidance does not apply to ambulance services, maintenance renal dialysis services, or services furnished by skilled nursing facilities, home health agencies, and hospices. Dates of services impacted are from 1/1/2023 to current. This will be an ongoing post payment audit with future recoupment projects.

To ensure compliance with federal and Medicaid requirements, McLaren will be initiating a recovery of the impacted payments. The recovery process will begin 11/15/2025 with an estimated completion for this project by 12/1/2025.

Additional information regarding Medicaid guidelines and CMS Global Surgery guidelines can be found at:

MDHHS Website

https://www.mdch.state.mi.us/dch-medicaid/manuals/MedicaidProviderManual.pdf

MDHHS Provider Manual Section 7.23 Preadmission Diagnostic Services.

CMS Website

https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/clm104c03.pdf

Chapter 3, Section 40.3