

Escheatment in the Healthcare Industry

Presented by:

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Syllabus

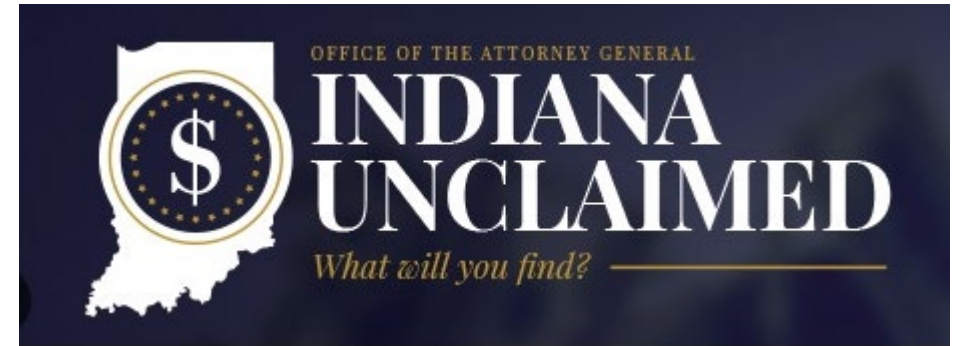
- ❖ The Basics
- ❖ Indiana Unclaimed Property Law
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The Basics

- ***What is escheatment in healthcare?***
 - Patient credits or refunds
 - Payer credits
 - Inactive credits
 - False credits (due to a contractual adjustment error)
- ***How do healthcare entities comply with the law?***
 - Follow state unclaimed property laws
- ***How is escheatment enforced?***
 - State-level audits

Indiana Unclaimed Property Law

- ***Indiana Revised Unclaimed Property Act (Ind. Code Ann. § 32-34-1.5 et seq.)***
 - Provide notice to apparent owner via mail 180 days prior to filing report with the Indiana Office of Attorney General
 - File report and pay or deliver the property to the Indiana Office of Attorney General
- Non-compliance may implicate state false claims act



Federal Law

- If federal government is the source of the funds, then federal law will preempt state requirements .
- In this case, unclaimed property will be disbursed to a federal agency and the state-level requirements will not apply.
- Healthcare entities may get caught in the middle if there is overlap between federal and state laws.

Privacy & Security

- Healthcare entities are still responsible for safeguarding protected health information when turning over unclaimed property to the state.
 - Weigh potential HIPAA exceptions
 - Check for state laws or Attorney General opinions on the issue
 - De-identify data being shared



Risk Management

- ***What should you do if you discover unclaimed property?***
 - Determine the value
 - Consider voluntary disclosure
 - Most states will waive penalties and interest on the unclaimed property value if an entity voluntarily discloses
 - Re-assess compliance efforts

Compliance Tips

- Create and regularly update policies & procedures regarding unclaimed property handling
- Provide training to staff members
- Prioritize detailed bookkeeping
- Keep patient and payer address records up-to-date
- Create and maintain an overpayment log



Questions?

About Our Speaker



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Madison Harada is an Associate in the Firm's Health Care Practice. Ms. Harada's practice is focused on advising pharmacies, veterinarians, long-term care facilities and other healthcare providers on various state and federal regulatory and compliance issues, including licensure requirements, telehealth/telemedicine, Medicaid provider reimbursement, and the federal 340B program. She also works with long-term care providers throughout the state of Indiana, providing representation in matters related to guardianship. Her extensive pharmacy and Medicaid experience enables her to effectively counsel clients on a wide range of industry issues.

Ms. Harada's professional experience includes private practice and serving as a staff attorney at the Office of General Counsel for the Indiana Family & Social Services Administration. In this role, she represented the Office of Medicaid Policy & Planning (OMPP) in the administrative setting, litigating provider appeals for various Medicaid program issues.