**Section 140.25 Overpayment or Underpayment of Claims**

a) When the Department, the provider, or the designated alternate payee has determined that an overpayment has been made, the provider or the alternate payee shall reimburse the Department for the overpayment. The Department shall recover overpayments made to or on behalf of a provider that result from improper billing practices. Recovery may occur by setoff, crediting against future billings or requiring direct repayment to the Department.

b) When a provider believes it has received an underpayment for services, it may request Department review. The request must be received by the Department within 12 months after the date payment was authorized. If the review reveals an underpayment was made, the Department shall pay the additional amount due. If the review reveals an overpayment was made, the provider, or the designated alternate payee, shall refund the amount of the overpayment.

c) When a provider operated by a unit of local government with a population exceeding 3,000,000, when local government funds finance federal participation for claims payment, believes it has received an underpayment for services, it may submit an adjustment to void and re-bill the claim. The request must be received within one year after the date payment was authorized.

d) For underpayments, the Department will not adjust claims received beyond the applicable timeframes identified in subsections (b) and (c). The review procedures provided for in this Section may not be used to submit any new or corrected information that was required to be submitted by a specific date in order to qualify for a payment or payment adjustment.

(Source: Amended at 38 Ill. Reg. 23623, effective December 2, 2014)