

OFFICE LETTERHEAD

Re: Your Refund Request

Dear Sir or Madam:

We are in receipt of your refund request in the amount of \$\_\_\_\_\_, dated \_\_\_\_ / \_\_\_\_ / \_\_\_\_

However, according to our records, the claim has been paid and there is no credit balance on the patient's account. We have applied all applicable contractual adjustments, and the patient has been balanced billed for the balance of their responsibility, if any.

According to federal law, as a third party creditor we cannot be held liable for mistakes made by insurance payers. We obtained the patient's insurance card at the time of service. Based on the patient's representation, there was no indication that we could have known that we might not be entitled to third party payment. We provided and billed for the services in **good faith**.

Your payment and Explanation of Benefits was received in **good faith**. Therefore, we did not bill the patient for the portion covered by the insurance based on your Explanation of Benefits, and the funds received have been exhausted.

There are several court cases that come to mind on this circumstance. A 1992 California case found that if a provider bills in good faith and the insurance company accidentally pays them too much, by the insurance company's calculation, that they cannot collect a refund from the provider so long as there was no misrepresentation or fraud on the provider's part in billing. See *City of Hope Medical Center v. Superior Court of Los Angeles County (1992) 8 Cal.App.4th 633*. Also, please review *Federated Mutual Insurance vs. Good Samaritan Hospital, Wisconsin. (1994)*.

We feel that we have been properly reimbursed for services rendered. Therefore, NO refund will be issued. Do not deduct this alleged overpayment from any future benefits that might be paid. If you do, we will take all appropriate legal action to insure that our rights, as indicated by case law, are preserved.

Please call me if you have any questions or need additional information. You can contact me at phone or address listed below.

Sincerely,

\_\_\_\_\_  
Patient Billing Administrator

Phone: \_\_\_\_\_