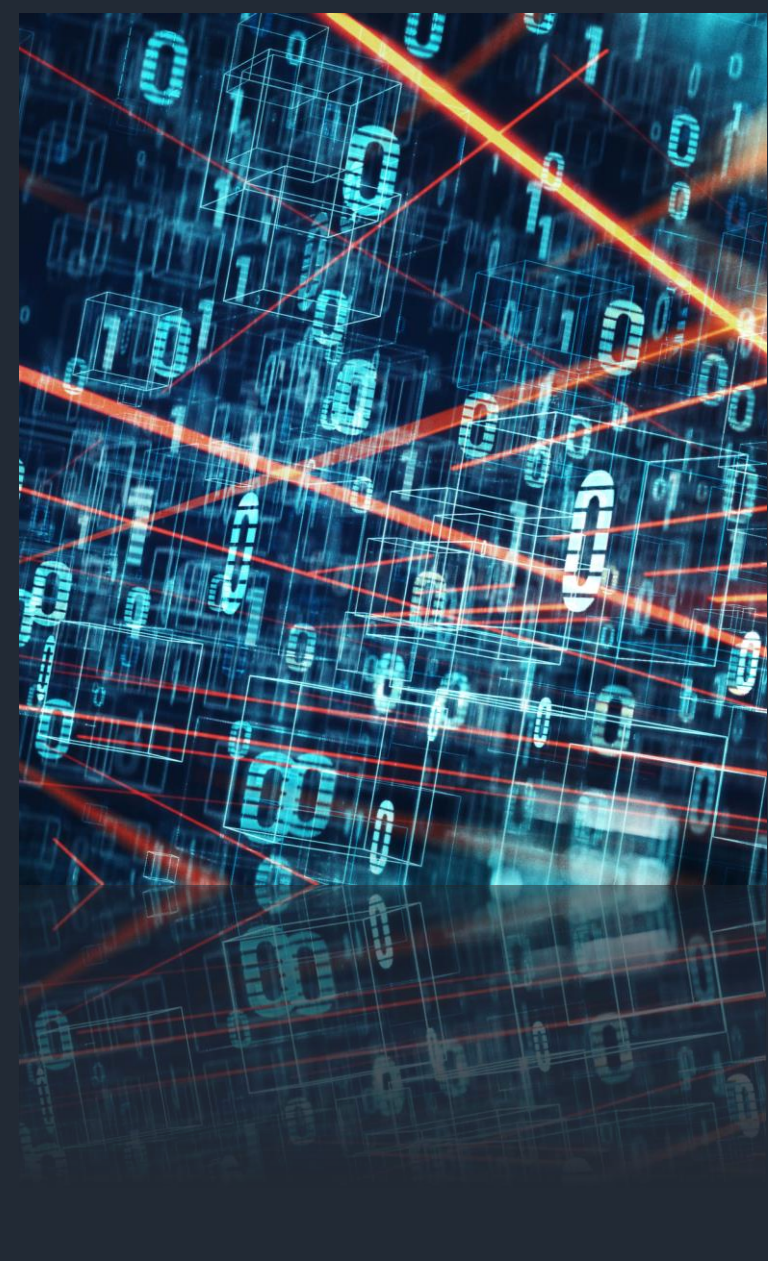


# 10. Refunds and Recoveries

## Faster Claims Payment



# Objectives



Understanding Refunds and Recoveries



Understand the process of Refunds and Recoveries



Understand roles and responsibilities

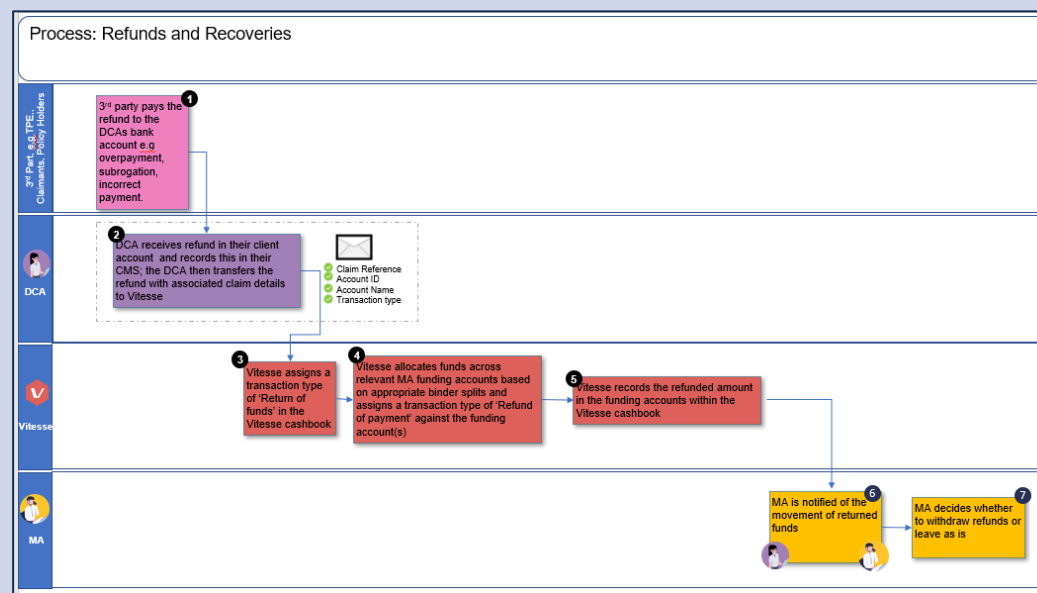
# Overview



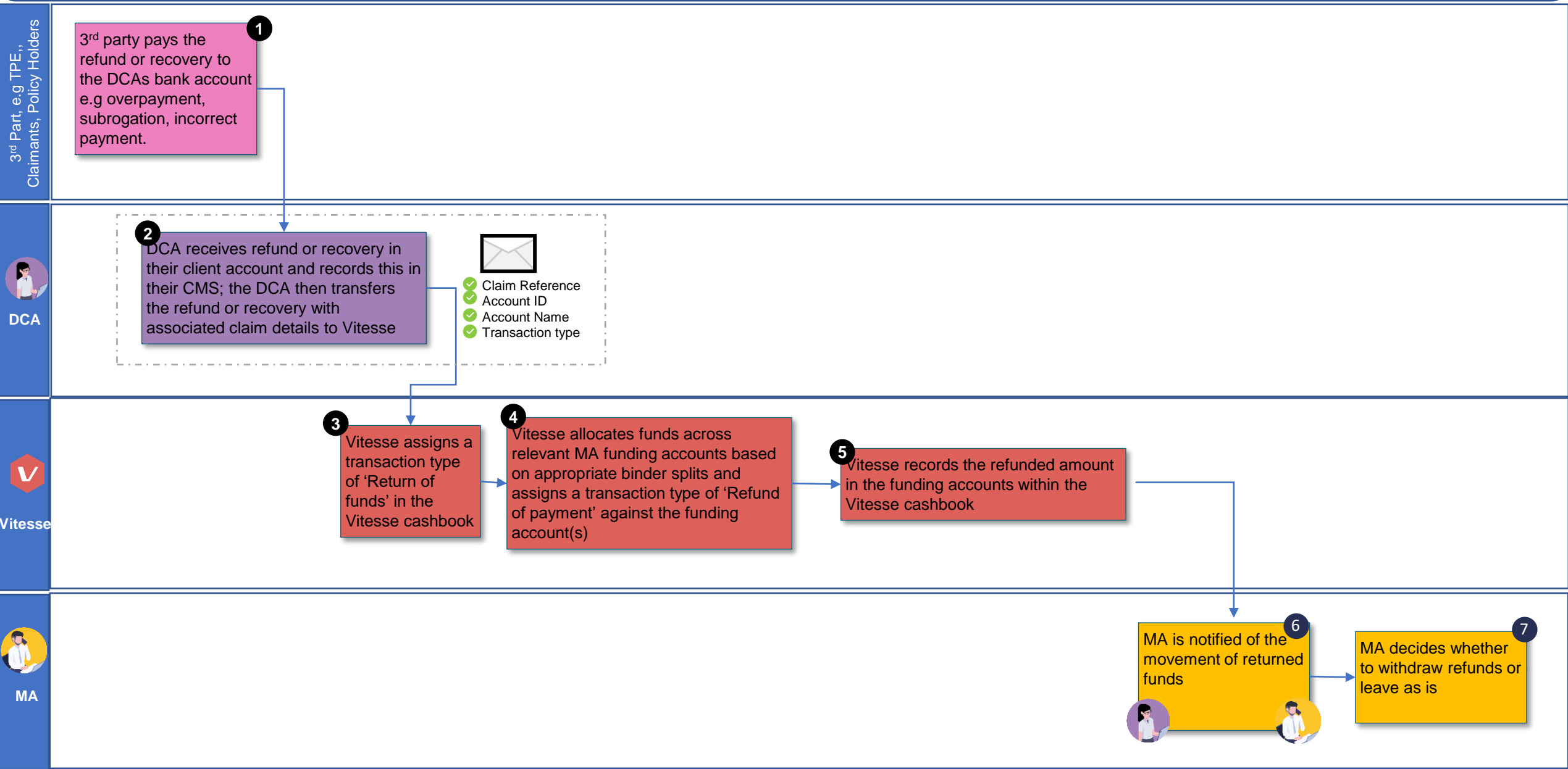
## Refunds and Recoveries

DCAs can process refunds and recoveries from claimants to Vitesse where these are moved from their payment account to the associated MA funding accounts

A high-level process flow is shown in the following section with a more detailed description of each of the steps as you proceed through the learning.



# Process: Refunds and Recoveries



# Step by step

## Step 0: Checklist

### Checklist



Check the following before requesting a refund



DCA bank accounts are being monitored and maintained to accommodate refunds



DCA to check if binder is set up on FCP to facilitate the refund otherwise revert to manual process



Bank account details can be identified by checking the account properties screen for the payment account in question when sending a refund to Vitesse

# Step by step

## Step 1: Return of Money

Select existing binders for FCP



1 3rd party pays the refund or recovery to the DCAs bank account

In the event an overpayment has been made and a refund from the beneficiary is due, DCAs will need to request the refunded amount be paid directly into their bank account.

1 The 3<sup>rd</sup> party returns money to a DCA account e.g. overpayment, subrogation, incorrect payment.



# Step by step

**Step 2:** DCA submits a refund to Vitesse and Vitesse receives notification of refund

Select existing binders for FCP



**2** DCA receives refund or recovery in their client account and records this in their system

The DCA transfers the refund or recovery amount to Vitesse and provides the relevant claims information.



DCA informs Vitesse that this is either a refund or recovery payment.



As part of the process, it is recommended that as a minimum the following details are provided.



- ✓ Claim Reference
- ✓ Account ID
- ✓ Account Name
- ✓ Transaction type



Note: The above information is mandatory in all correspondence with Vitesse at [funding@vitessepsp.com](mailto:funding@vitessepsp.com)

# Step by step

**Step 3, 4, 5, 6, 7:** Verify that Vitesse has allocated the returned funds to MA funding accounts

Select existing binders for FCP



3 4 5 6 7

Apply transaction type, re-allocate, assign, record, notify

Vitesse applies returned funds to the MA's payment account and MA funding account(s) respectively.



Vitesse will then apply a transaction type of 'Return of funds' as an entry in the Vitesse cashbook to reflect the return



Vitesse will subsequently re-allocate returned funds across relevant MA funding account(s) based on the appropriate binder splits



Vitesse will assign a transaction type of 'Refund of payment' against the funding account(s) (visible by MAs within the 'Accounts' section)



Vitesse records the refunded amount in the funding accounts within the Vitesse cashbook



MA is notified of the movement of returned funds by Vitesse via automated email



MA decides whether to withdraw refunds or leave as is in funding account



MAs can return money to their own account or contact Vitesse support if required



# Step by step

**Step 3, 4, 5, 6, 7:** Verify that Vitesse has allocated the returned funds to MA funding accounts

Select existing binders for FCP



3 4 5 6 7

Apply transaction type, re-allocate, assign, record, notify

Vitesse applies returned funds to the MA's payment account and MA funding account(s) respectively.



The DCA **must** record the refund in their BDX with the equivalent claims reference number as entered in the cashbook by Vitesse.



## Refunds impacting reconciliation differences

A refund into the MA's funding account can cause a reconciling item difference when a MA performs their signings reconciliation (see Section 9). MAs can choose to either transfer the refund amount from their funding account to their trust fund account via the Vitesse platform or increase their funding account balance (by the amount of credits remaining in the funding account).



## Top tip

If the MA doesn't want to transfer the funds themselves, they can refund the amount from their funding account by sending a '**Return of funds**' request to Vitesse detailing a bank account of their choosing.

# End

## Faster Claims Payment

