

## Explanation of Payment Refund and Forwarding Balance Reporting Enhancement

Molina Healthcare Inc would like to provide some details regarding a forthcoming enhancement to the reporting of refunds received that are being displayed on your Explanation of Payment and 835 files, as well as Forwarding Balances.

### What is the Change?

Currently on your Explanation of Payment (EOP) and 835, refund amounts are combined as a bulk total for your payment with a reference ID of the payment checkhistoryID (CHKHST...). A forthcoming enhancement scheduled for 11/28/23 will update these sections on the EOP and 835 to utilize a reference ID of the claim itself, allowing for clearer reporting of these transactions. The setup of utilizing WO/72 code types will remain.

The updates are:

- Reference ID on the Explanation of Payment adjustment section will reflect the claimID for the transactions related to each refund posting, and no longer use the checkhistoryID.
- Changes to the PLB segment on the 835.
  - Items labeled as Provider Return/Refund credit will be reflected on your 835 as adjustment code type 72 with a reference ID of the claimID for each refund.
  - Items labeled as Overpayment Recovery will be reflected on your 835 as adjustment code type WO with a reference ID of the claimID for each refund.
  - This is our method of recording refunds received and will result in a net total of \$0.00 on your payment.

### What do providers need to do?

Please review your Explanation of Payment and 835's for payments issued after on or after **November 28, 2023** to ensure these new PLB segment adjustment types process accurately within you or your clearinghouse systems. Providers do not need to take any action if they are already registered with Availity.

Molina is here to support you as well. If you have questions for Molina about this transition, please contact us at Molina contact center (800) 424-5891.

**Effective 11/28/23, the new EOP will look like below:**

Items labeled adjustments were added by our payment system to balance the transaction. They reflect no adjustment to actual payment.

Payment Adjustments (Refund & Recovery)					
Advance Create Date	Reference ID	Adjustment Type	Orginal Advance Amount	Advance Remaining Balance	Adjustment Amount
	CHKHST123456789	Overpayment Recovery	\$0.00	\$0.00	-\$372.16
	CHKHST123456789	Provider Return/Refund Credit	\$0.00	\$0.00	\$372.16
				<b>Total Net Adjustments</b>	<b>\$0.00</b>

Items labeled as Provider Return / Refund Credit were added as a refund was received.  
 - These refunds are reflected on your 835 in the PLB segment as Adjustment Code '72'.  
 Items labeled as Overpayment Recovery were added as a refund was received and posted.  
 - These refunds are reflected on your 835 in the PLB segment as Adjustment Code 'WO'.