



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 **07/24/23** 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.

Additionally, an update will be deployed in the next several weeks regarding the adjustments section on the 835 for forwarding balances. When a Forwarding Balance is created (reflected as a negative FB adjustment on the 835), the referenceID would reflect a Draft number in some cases, rather than the CHKHST ID. This will be corrected and will be reflected as a CS, followed by the CHKHST ID. This will allow for clearer tracking, as the Forwarding Balance (FB) when a positive, always references the CHKHST ID.

What do providers need to do?

Please review your Explanation of Payment and 835's for payments issued after on or after **07/24/23** to ensure these new PLB segment adjustment types process accurately within you or your clearinghouse systems. Molina is here to support you as well. If you have questions for Molina about this transition, please contact us at 855-322-4076.

Thank you for your continued care of our members!