



Provider Newsflash



A fax bulletin for the Molina Healthcare of Washington Provider Network

Explanation of Payment Refund and Forwarding Balance Reporting Enhancement (Medicaid, Medicare, Marketplace)

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

What is Changing?

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 as follows:

- 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 will 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 your clearinghouse systems.

Molina is here to support you. If you have questions about this transition, please contact the Molina Provider Call Center at (855) 322-4082.