



11/2022

Explanation of Payment Refund Reporting

Molina Healthcare of Nevada would like to provide additional details regarding the reporting of refunds received displayed on your explanation of payment and 835 files.

What is the change?

As part of the transition to the new payment platform, you may have noticed that refunds received from you or a third-party payer are now reflected in your explanation of payment. This refund is reflected on the claim in the **Refund** column on a reversal claim. In addition, a remit message is included indicating receipt of a refund.

If the refund received was a partial refund, a balancing adjustment claim ending in A is created to balance the reversal, ensuring there is no recoupment.

Recent updates to the explanation of payments implemented on 11/7/22 were made to clarify this. The update on the reversal claims reflects a net plan payable amount—the difference between the paid amount and the refund. This update was a display update. Prior payments related to refund postings were paid correctly and were not recouped from your payments.

Ongoing developments/enhancements

Molina Healthcare is continuing to work with our vendor partners for additional enhancements and revisions to this process to make these transactions easier to understand for providers. These high-priority items we are reviewing are:

- Enhancements to the 835 files to better indicate the recording of a refund, such as a WO or 72 Segment.
- Exploring options to exclude some refund types from EOP and 835 files, such as refunds received directly from primary payers due to coordination of benefits (pay and chase) or subrogation settlements (auto-accidents, malpractice, etc.).

What do providers need to do?

Please review your explanation of payment and remit messages when a question arises about a refund posting resulting in recoupment. Posting a refund on a reversal should not result in recoupment on your payment and is functionally only a reporting process to indicate that a refund has been received.

Molina is here to support you as well. If you have questions for Molina about this transition, please get in touch with us at the Provider Service Contact Center at (833) 685-2103