

Provider Memorandum

Explanation of Payment Refund Reporting

Molina Healthcare of Illinois (Molina) offers providers additional details regarding the reporting of refunds received that are being displayed on your Explanation of Payment (EOP) and 835 files.

What is the Change?

As part of the transition to the ECHO payment platform, refunds received from you or a third-party payer are now being reflected on your EOP. This is reflected in the Refund column on a reversal claim. Also, 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 to the reversal and ensure there is no recoupment.

Recent updates to the EOPs were designed to make this clearer, reflecting a Net Plan Payable amount on the reversal claims being the difference between the paid amount and the refund. Prior payments related to refund postings were paying correctly and were **not** recouping from your payments.

Ongoing Development/Enhancements

Molina continues to work with our vendor partners for additional enhancements to this process to make these transactions clearer for providers. The 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-accident, malpractice, etc.).

What Do Providers Need To Do?

Please review your EOP and remit messages when a question arises about a refund posting resulting in a recoupment. **Important:** The posting of a refund on a reversal should **not** result in recoupment on your payment and is merely a reporting process to indicate that a refund has been received.

Molina is here to support you. If you have questions about this transition, please contact your Provider Network Manager, or email the team at MHILProviderNetworkManagement@MolinaHealthcare.com.

Questions?

We're here to help. Contact your Provider Network Manager or email the Provider Network Management team at MHILProviderNetworkManagement@MolinaHealthcare.com. For help identifying your Provider Network Manager, visit [Molina's Service Area](#) page at MolinaHealthcare.com.

Availity Provider Portal

We continue our transition to the Molina Availity Provider Portal, a tool that streamlines your claims management, authorizations, and eligibility/benefit verification. Are you registered? [Click here](#).

Get Critical Updates

Receive news and updates about Molina services and plan requirements delivered straight to your inbox! [Click here](#) to join Molina's provider email list.

Note: Molina's website and documents are best viewed in Google Chrome or Microsoft Edge.