

835 Solutions

Provider-Level Adjustments

The basics

We use the Provider Adjustment (PLB) segment to convey provider-level adjustment information in 835 files that increase or decrease payments.

Locating PLBs

- Normal provider-level adjustments can increase or decrease the transaction payment amount
- Adjustment codes are located in PLB03-1, PLB05-1, PLB07-1, PLB09-1, PLB11-1 and PLB13-1
- The PLB is not always associated with a specific claim in the 835 but must be used to balance the transaction
- Use the Reference ID to identify the claim. Exceptions are the FB, IR, J1, L6 and CS adjustment codes (when used for provider write-off only)



Note

UnitedHealthcare has a number of claims processing systems. The 3 largest will be referenced throughout this document:

1. Our commercial claim platform is used for the majority of our business, including most commercial products and select Medica claims
2. Our Medicare Solutions claim platform is used for Medicare Advantage products (formerly called SecureHorizons and MedicareComplete from SecureHorizons) and Evercare. Additionally, select OptumHealth Behavioral Solutions (“Optum”) and select Medica claims are processed on this platform.
3. Our UnitedHealthcare Community Plan platform, which includes Medicaid and Medicare products

The most commonly used 835 adjustment codes

The following pages explain the most commonly used PLB codes (FB, WO, 72, IR, J1, L6 and CS) and provide details of the data found in corresponding Reference ID fields

Adjustment code	Reference ID
Forward balance (FB) <ul style="list-style-type: none">Used to reflect a balance being moved forward to a future remit or a balance that is brought forward from a prior remit	<ul style="list-style-type: none">When a balance is moving forward to a future remit, the PLB FB contains the TRN02 (check or electronic funds transfer [EFT] trace number) from the current 835 transaction. For Community Plan, the PLB FB contains the patient account number, claim number and the TRN02 (check or EFT trace number).When a balance has been brought forward from a prior remit, the PLB FB contains the TRN02 (check or EFT trace number) that was the Reference ID in the prior remit

Platform information and posting tips

Medicare Solutions platform note: Forward balance is used for select government business (MedicareComplete from SecureHorizons or Evercare by UnitedHealthcare Medicare and Retirement), OptumHealth Behavioral Solutions and UnitedHealthcare Community Plans.

- Use the dollar amount in the PLB to balance the 835 transaction
- A negative value represents a balance moving forward to a future payment advice. A positive value represents a balance being applied from a previous payment advice.
- The PLB FB is used to move a negative balance from a current 835 transaction into a future 835 transaction

Typically, this happens when we report an overpayment and there aren't sufficient funds to recoup the entire overpayment amount.

- Forward balance is tracked at the transaction level and is not claim-specific
- UnitedHealthcare West commercial and SecureHorizons do not utilize forward balancing. Recovery will be held until payment is sufficient to offset recovery

Adjustment code	Reference ID
Overpayment recovery (WO) <ul style="list-style-type: none"> • Used when a previous overpayment is recouped from the provider of service • Used when a reversal and corrected claim are not reported in the same transaction. WO prevents the prior claim payment from being deducted from the transaction. • Used to offset the PLB 72 • Used when a reversal and corrected claim are reported, and the overpayment is not immediately recouped. WO prevents the prior claim payment from being deducted from the transaction. For COSMOS full reversal and correct claim only. 	<ul style="list-style-type: none"> • The Reference ID for the PLB WO contains the beginning date of service from the claim and the patient account number • When reporting a voided check, the Reference ID in the PLB WO is the voided check number (Medicare Solutions platform). This does not apply to COSMOS for business.

Platform information and posting tips

Use the dollar amount in the PLB to balance the transaction.

Overpayments

- When we identify a claim overpayment, we send a letter requesting a refund. We report a reversal to the original claim and a corrected claim in the 835. Because funds aren't being immediately recouped, the amount of the overpayment is offset by reporting the amount as a negative value in the PLB WO.
- If the reversal and corrected claim are not reported in the same 835 transaction, the 835 transaction that contains the reversal claim reports a negative value in the PLB WO. The 835 transaction that contains the corrected claim reports a positive value in the PLB WO.

Overpayment recovery reduction

- Used when a previous overpayment is recouped from the provider of service
- If a refund is not received within the time frame requested in the letter, UnitedHealthcare recoups the money and reports this using the WO adjustment code. The 835 transaction that contains the overpayment recovery reduction will report a positive value in the PLB WO.

Underpayments

- Used to balance the 835 transaction when the reversal and corrected claims are not reported in the same 835 transaction and prior payment is not being recouped. The 835 transaction that contains the reversal claim will report a negative value in the PLB WO. The 835 transaction that contains the corrected claim will report a positive value in the PLB WO.
- When the reversal and corrected claim are reported in the same 835 transaction, no PLB is reported

Platform information and posting tips (cont.)

Provider refund check reporting

- When a refund check is received, the amount of the refund is reported as a positive value in the PLB WO and a negative value in the PLB 72. This does not apply to COSMOS business.

Voided checks

- When a check is voided, the amount of the voided check is reported as a positive value in the PLB WO and a negative value in the PLB 72

Adjustment code	Reference ID
-----------------	--------------

Medicare Solutions platform information and posting tips

Use the dollar amount in the PLB to balance the transaction.

Provider refund check reporting

- When a provider's refund check is received, the amount of the check is reported as a positive value in the PLB WO and a negative value in the PLB 72

Voided checks

- When our check is voided, the amount of the check is reported as a positive value in the PLB WO and a negative value in the PLB 72. The Reference ID in the PLB WO will contain the voided check number. This does not apply to COSMOS business.

Overpayment reduction (non-Medicare Advantage products)

When we identify a claim overpayment, we report a reversal to the original claim and a corrected claim if there are sufficient funds from other claim payments to recover the amount of the overpayment. If sufficient funds are not available, we handle the overpayment with a manual recovery process after a certain amount of time.

For COSMOS:

Overpayment reduction options

When we identify a claim overpayment, we report a reversal to the original claim and a corrected claim. If there are sufficient funds from other claim payments, we will recover the amount of the overpayment. If sufficient funds are not available, we either handle the overpayment with a manual recovery process after a certain amount of time or carry forward the outstanding balance depending on the product and associated policies.

When we identify a claim overpayment, we send a letter requesting a refund and report a reversal to the original claim and a corrected claim. Because funds aren't being immediately recouped, the amount of the overpayment is offset by reporting the overpayment amount as a negative value in the PLB WO.

Overpayment reduction (specific to Medicare Advantage products and plans carrying the Medicare Solutions or Evercare name)

Overpayments

- When we identify a claim overpayment, we send a letter requesting a refund and report a reversal to the original claim and a corrected claim. Because funds aren't being immediately recouped, the amount of the overpayment is offset by reporting the overpayment amount as a negative value in the PLB WO.

Overpayment recovery reduction

- Used when a previous overpayment is recouped from the provider of service
- UnitedHealthcare sends a letter requesting a refund. If the refund is not received within the requested time frame, UnitedHealthcare recoups the money. The overpayment reduction is reported as a positive value in the PLB WO.

Adjustment code	Reference ID
Authorized return (72) <ul style="list-style-type: none">• Used to report the dollar amount returned by the provider of service for a previous overpayment• Used to report a voided check. This does not apply to COSMOS business.	<p>The Reference ID in the PLB 72 contains the beginning date of service from the claim and the patient account number (commercial and Medicare Solutions platforms).</p> <p>When reporting a voided check, the Reference ID in the PLB 72 is the voided check number (Medicare Solutions platform).</p>

Commercial platform information and posting tips

Use the dollar amount in the PLB to balance the transaction.

For solicited refunds:

- The reversal and corrected claim were reported in a prior 835. It included a PLB WO indicating either overpayment funds weren't recouped or that there is an outstanding forward balance for COSMOS.
- Once the refund is received by UnitedHealthcare, the refund amount is noted as a negative value in the PLB segment with the 72 adjustment reason code
- A PLB WO with the amount of the refund is then created to offset the PLB 72 and balance the 835 transaction. The PLB WO will contain a positive value.

For unsolicited refunds:

- When we post a refund, we usually enter both a reversal of payment and a corrected claim so that the reversal and PLB 72 will be in the same 835 file
- If the refund does not cover the entire overpayment amount, the 835 will also contain a PLB WO for the amount remaining to be refunded. The PLB WO will contain a negative value.

Medicare Solutions and UnitedHealthcare West platform information and posting tips

In an effort to simplify our claims process, we are consolidating our claim platforms over the next few years. As a result, you may see a consolidation of your forward balances on your 835 provider remittance advice (PRA). For example, if you had a forward balance from a UnitedHealthcare West claim, it will be applied to a Medicare Solutions claim. If there is an “FB” identifier on your 835 PRA, it indicates a forward balance from a previously identified overpayment. To search, view and/or print PRA documents, please review the [PRA Quick Reference Guide](#).

Use the dollar amount in the PLB to balance the 835 transaction.

- When we receive a refund, we note the refund amount as a negative value in the PLB segment with the 72 adjustment reason code
- When a physician returns a UnitedHealthcare check, the voided check amount is noted as a negative value in the PLB 72

The Reference ID in the PLB 72 will contain the voided check number. This does not apply for COSMOS.

- A PLB WO with the amount of the refund or voided check is reported as a positive value to offset the PLB 72 and balances the 835 transaction. We do not report a reversal or a corrected claim in the 835 transaction. For COSMOS, a PLB WO includes the amount refunded if there is no outstanding forward balance.

Adjustment code	Reference ID
Internal Revenue Service (IRS) withholding (IR) <ul style="list-style-type: none">• Used for IRS tax withholding	<p>The Reference ID in the PLB IR contains the beginning date of service from the applicable claim and the patient account number (commercial platform).</p> <ul style="list-style-type: none">• The Reference ID in the PLB IR contains the comment “IRS Withhold for TIN XXXXXXXXXX” (Medicare Solutions platform)

Commercial and Medicare Solutions platform information and posting tips

Use the dollar amount in the PLB to balance the 835 transaction.

- The payment amount sent to the IRS is reported in the PLB segment with an IR adjustment reason code and a positive dollar amount
- The claim will be in the same 835 as the PLB. Post the claim payment amount(s) to your patient accounts, but note that you will not physically receive funds for the payment amounts.

Adjustment code	Reference ID
Non-reimbursable (J1) <ul style="list-style-type: none"> Used when the service provider is also the employer group and they request that monies be applied toward the Group Medical Plan coverage premium instead of the claim 	The Reference ID in the PLB J1 contains the comment “Suppressed Payment Arrangement.”

Commercial platform information and posting tips (does not apply to Medicare Solutions platform)

Use the dollar amount in the PLB to balance the 835 transaction.

- J1 will be in the same 835 as the claim
- Post amounts to your patient accounts, but note that you will **not physically receive funds for the claim payments**
- The dollar amount of the suppressed payment for the PLB J1 will be a positive value

Adjustment code	Reference ID
Interest owed (L6) <ul style="list-style-type: none"> Used to report interest paid on claims 	No Reference ID is included with the PLB L6. The amount reported is a sum of the AMT*I segments.

Commercial and Medicare Solutions platform information and posting tips

Use the dollar amount in the PLB to balance the 835 transaction.

- The amount of interest paid is reported in the PLB L6 as a negative amount and adds to the check total. The claim is in the same 835 transaction.
- To associate interest amounts with corresponding claims, use the AMT*1 segments at the claim level

The claim will contain an AMT segment in loop 2100 with an “I” (Interest) Amount Qualifier Code in the AMT01 and the interest amount in the AMT02.

Adjustment code	Reference ID
Adjustment (CS) <ul style="list-style-type: none"> • Used to report the reissued payment amount for a lost check; or to • Reduce a PLB FB balance if we write off an amount a provider owes; or to • Reduce a PLB FB balance when the overpayment amount has been reduced 	<ul style="list-style-type: none"> • When reporting repayment for a lost check, the Reference ID contains the check number of the lost check (Medicare Solutions platform only) • When reducing a prior PLB FB balance, the Reference ID is “Payer Write-Off” (commercial platform) • When a PLB FB balance is reduced due to claims reprocessing, the Reference ID will contain the beginning date of service and Patient Account Number of the associated claim (commercial platform)

Commercial platform information and posting tips

Use the amount in the PLB to balance the transaction.

- A PLB FB balance was created on a prior 835 transaction. This was likely due to a recovery (PLB WO) being reported when there weren’t sufficient funds to recoup the entire overpayment amount. (See PLB FB adjustment code for additional information.)
- When a PLB FB remains uncollected and we decide not to recoup all or part of the remaining amount due, the amount written off will be reported in the 835 with a PLB CS

The 835 transaction will include the PLB FB and the balance amount from the prior 835 and a PLB CS for the amount of payer write-off. The PLB FB will report a positive amount (indicating an amount is brought forward from a prior 835) and the PLB CS will report a negative amount.

Medicare Solutions platform information and posting tips

Use the amount in the PLB to balance the transaction.

- The amount of the lost check is reported in the PLB CS as a negative value

The claim associated with the lost check will not be reported in an 835 transaction again. Only the payment will be reissued.



Note

If adjustments do not provide you with enough information to post, please use the explanation of benefits (EOB)/provider remittance advice (PRA) to post adjustments to your practice management system.

Additional 835 Solutions Guides:

- **Electronic Data Interchange (EDI) transactions**
- **Provider-Level Adjustments Overpayment Recovery**
- **Contact Information**
- **PRA Quick Reference Guide**

Insurance coverage provided by or through UnitedHealthcare Insurance Company or its affiliates. Health plan coverage provided by UnitedHealthcare of Arizona, Inc., UHC of California DBA UnitedHealthcare of California, UnitedHealthcare Benefits Plan of California, UnitedHealthcare of Colorado, Inc., UnitedHealthcare of the Mid-Atlantic, Inc., MAMSI Life and Health Insurance Company, UnitedHealthcare of New York, Inc., UnitedHealthcare Insurance Company of New York, UnitedHealthcare of Oklahoma, Inc., UnitedHealthcare of Oregon, Inc., UnitedHealthcare of Pennsylvania, Inc., UnitedHealthcare of Texas, Inc., UnitedHealthcare Benefits of Texas, Inc., UnitedHealthcare of Utah, Inc., UnitedHealthcare of Washington, Inc., Optimum Choice, Inc., Oxford Health Insurance, Inc., Oxford Health Plans (NJ), Inc., Oxford Health Plans (CT), Inc., All Savers Insurance Company, or other affiliates. Administrative services provided by OptumHealth Care Solutions, LLC, OptumRx, Oxford Health Plans LLC, United HealthCare Services, Inc., or other affiliates. Behavioral health products provided by U.S. Behavioral Health Plan, California (USBHPC), or its affiliates.