

## PROVIDER JOB AID – TRANSITION TOPICS

### Recoupment of Interim Payment Advances

MassHealth issued interim payment advances to support providers during the dental TPA transition. Interim payment advances are now being gradually recouped through a percentage of providers' claims payments.

#### Requesting a Recoupment Change or Status Update

If you have an outstanding interim payment advance and are concerned about the impact of recoupment on your cash flow, you may complete this [online form](#) to:

- Request a **lower recoupment percentage** to ease the impact on claims payments
- Request a **higher recoupment percentage** to shorten the recoupment period
- Request a **status update** on your remaining advance balance

Please note that approved requests can only adjust the recoupment process moving forward and cannot reverse prior recoupments. Due to the financial cycle timeline, **changes generally take 2 payment cycles to appear**. If you have already submitted a request, no further action is needed. Requests do not need to be resubmitted weekly. *Duplicate or incomplete requests will not be processed.*

#### Current Recoupment Process

- Beginning with claims payments on 6/30 and 7/14, MassHealth began recouping **33% of claims payments for each outstanding advance** until the full advance amount is recouped.
- No recoupments were applied to the 7/7 claims payment (Run 100841).
- *Earlier recoupments in May were 100% of claims payments. The recoupment rate has since been reduced to 33% per outstanding advance.*

#### How Recoupment Affects Claims Payments

- Most providers received **one advance** and will receive **approximately 67% of their claims payments** until the advance is fully recouped.
- Providers with **multiple outstanding advances** will receive **less than 50% of their claims payments** until all advances are fully recouped.
  - A provider with multiple outstanding advances will have 33% of their claims payment recouped for the first advance and then an additional 33% of their remaining claims payment for each additional outstanding advance.

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If you still have questions, please call MassHealth Dental Customer Service at (844) 643-3685 (844-MH-DENTL).

- If a provider has two outstanding advances, they will have about 55% of claims payments recouped; providers with three advance payments will have about 70% of their claims payment recouped; providers with four or more advance payments will have 80% or more of their claims payment recouped.
- The table below shows an estimate of the claims payment a provider may receive based on the number of outstanding interim payment advances, with the standard 33% recoupment percentage.

<b>Estimated Claims Payment Impact Based on Number of Outstanding Advances</b>	
<i>Standard 33% Recoupment Percentage</i>	
<b>Number of outstanding advances</b>	<b>Estimated % of claims payment paid to provider</b>
1	33%
2	~55%
3	~70%
4	~80% or more

*Percentages are estimates and may vary slightly due to rounding.*

- At the end of this job aid, you will find a three-week example that outlines how claims payments are recouped for a provider with three outstanding advances using the standard 33% recoupment schedule.

#### Optional Recoupment Pause and Restart

- Providers had the option to request a recoupment pause starting with the claims payment on August 25, 2025 (Run 100848) through the claims payment on January 5, 2026 (Run 100867).
- Paused recoupments apply again starting with the claims payment on January 12, 2026 (Run 100868).
- To help ease the transition as recoupments resume, **a lower recoupment percentage was automatically applied for providers whose recoupments were previously paused.**
- The recoupment percentage was adjusted based on the number of outstanding interim payment advances, so that providers will receive **approximately 80% of their claims payments**.
- This reduced recoupment percentage applies only to previously paused recoupments.
- MassHealth expects to gradually adjust recoupment schedules over time. Recoupment will continue at this reduced percentage until outstanding interim payment advances are fully recouped or the schedule is adjusted.

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- The table below shows an estimate of the claims payment a provider may receive based on the number of outstanding interim payment advances, with total recoupment generally targeted at around 20% of claims payments.

Estimated Claims Payment Impact Based on Number of Outstanding Advances			
Reduced Recoupment Percentage for Previously Paused Recoupments			
Number of outstanding Advances	Estimated % of claims payment paid to provider	Total % of claims payment recouped	Recoupment rate applied to each advance
1	80%	20%	20%
2	81%	19%	10%
3	80%	20%	7%
4	78%	22%	6%
5	77%	23%	5%
6	78%	22%	4%
7	81%	19%	3%
8	78%	22%	3%
9	76%	24%	3%
10	82%	18%	2%
11	80%	20%	2%
12	78%	22%	2%
13	77%	23%	2%
14	75%	25%	2%
15	74%	26%	2%

*Percentages are estimates and may vary slightly due to rounding. Total recoupment is designed to be approximately 20% of claims payments across different advance counts.*

**Recoupment Example:** An example of how recoupments were processed over a 3-week period is outlined on the following three pages. The example shows how claims payments are recouped for a provider with three outstanding advances using the standard 33% recoupment schedule.

**Please note:** the example outlined below does not reflect reduced recoupment percentages for previously paused recoupments or previously approved hardship requests for reduced recoupment percentages.

## WEEK 1:

- A provider received three advances, each for \$10,000, for a total of \$30,000.
- MassHealth is set to pay \$20,000 in claims on June 30, 2025 for that provider.
- MassHealth will recoup 33% of the \$20,000 for Advance 1 (\$6,600); 33% of the remaining \$13,400 for Advance 2 (\$4,422); and 33% of the remaining \$8,978 for Advance 3 (\$2,963).
- The provider receives the remaining **\$6,015** in claims payments for June 30, 2025.
- The provider still has **\$16,015** in outstanding advances after June 30th: \$3,400 for Advance 1; \$5,578 for Advance 2; \$7,037 for Advance 3.
- MassHealth paused recoupment of advances against claims payments on July 7, 2025. No recoupments apply to the providers claims payments on July 7, 2025, and the provider still has \$16,015 in outstanding advances after July 7th.

### **Week 1: Chart Overview of payment after recoupment**

<b>Advance</b>	<b>Claims</b>	<b>Payment</b>
	\$20,000	\$20,000
#1	Less 33% of \$20,000 (\$6,600)	\$13,400
#2	Less 33% of \$13,400 (\$4,422)	\$8,978
#3	Less 33% of \$8,978 (\$2,963)	<b>\$6,015</b>

### **Week 1: Chart Overview of each advance balance**

<b>Advance</b>	<b>Starting Balance</b>	<b>Amount Recouped</b>	<b>Ending Balance</b>
#1 - \$10,000	\$10,000	\$6,600	\$3,400
#2 - \$10,000	\$10,000	\$4,422	\$5,578
#3 - \$10,000	\$10,000	\$2,963	\$7,037
<b>Total - \$30,000</b>	<b>\$30,000</b>	<b>\$13,985</b>	<b>\$16,015</b>

## WEEK 2:

- MassHealth is set to pay \$20,000 in claims on July 14, 2025.
- The provider still has \$16,015 in outstanding advances (\$3,400 for Advance 1; \$5,578 for Advance 2; \$7,037 for Advance 3).
- MassHealth will recoup 33% of the \$20,000 for the remaining amount of Advance 1 (\$3,400\*); 33% of the remaining \$16,600 for Advance 2 (\$5,478); and 33% of the remaining \$11,122 for Advance 3 (\$3,670).
  - Only \$3,400 is recouped for Advance 1 because that is the remaining balance. As of July 14, 2025, the full \$10,000 advance amount has been recouped for Advance 1.
  - The provider receives the remaining **\$7,452** in claims payments for July 14, 2025.
- The provider still has **\$3,467** in outstanding advances after July 14, 2025: \$100 for Advance 2; \$3,367 for Advance 3. Advance 1 was fully recouped in the claims payment on July 14, 2025 and has no remaining balance.

### **Week 2: Chart Overview of payment after recoupment**

<b>Advance</b>	<b>Claims</b>	<b>Payment</b>
	\$20,000	\$20,000
#1	Less 33% of \$20,000 (\$3,400*)	\$16,600
#2	Less 33% of \$16,600 (\$5,478)	\$11,122
#3	Less 33% of \$11,122 (\$3,670)	<b>\$7,452</b>

\* - The recoupment amount is less than 33% because the remaining balance was less than that amount. This advance has now been fully recouped.

### **Week 2: Chart Overview of each advance balance**

<b>Advance</b>	<b>Starting Balance</b>	<b>Amount Recouped</b>	<b>Ending Balance</b>
#1 - \$10,000	\$3,400	\$3,400*	\$0
#2 - \$10,000	\$5,578	\$5,478	\$100
#3 - \$10,000	\$7,037	\$3,670	\$3,367
<b>Total - \$30,000</b>	<b>\$16,015</b>	<b>\$12,548</b>	<b>\$3,467</b>

\* - The recoupment amount is less than 33% because the remaining balance was less than that amount. This advance has now been fully recouped.

## WEEK 3:

- MassHealth is set to pay \$20,000 in claims on July 21, 2025.
- The provider still has \$3,467 in outstanding advances (\$100 for Advance 2; \$3,367 for Advance 3).
- MassHealth will recoup 33% of the \$20,000 for the remaining amount of Advance 2 (\$100\*); 33% of the remaining \$19,000 for the remaining amount of Advance 3 (\$3,367\*).
  - Only \$100 and \$3,367 are recouped for Advance 2 and Advance 3 because that is the remaining balance for each advance. As of July 21, 2025, the full \$10,000 advance amount has been recouped for Advance 2 and Advance 3.
- The provider receives the remaining **\$16,533** in claims payments for July 21, 2025.
- The provider has no more remaining outstanding advances (**\$0**). All 3 advances have been recouped in full.
- Claims payments will be made in full in the weeks following since the provider no longer has any outstanding advances.

### **Week 3: Chart Overview of payment after recoupment**

<b>Advance</b>	<b>Claims</b>	<b>Payment</b>
	\$20,000	\$20,000
#1	<i>n/a - already fully recouped</i>	\$20,000
#2	Less 33% of \$20,000 (\$100*)	\$19,900
#3	Less 33% of \$19,900 (\$3,367*)	<b>\$16,533</b>

\* - The recoupment amount is less than 33% because the remaining balance was less than that amount. This advance has now been fully recouped.

### **Week 3: Chart Overview of each advance balance**

<b>Advance</b>	<b>Starting Balance</b>	<b>Amount Recouped</b>	<b>Ending Balance</b>
#1 - \$10,000	\$0	\$0	\$0
#2 - \$10,000	\$100	\$100*	\$0
#3 - \$10,000	\$3,367	\$3,367*	\$0
<b>Total - \$30,000</b>	<b>\$3,467</b>	<b>\$3,467</b>	<b>\$0</b>

\* - The recoupment amount is less than 33% because the remaining balance was less than that amount. This advance has now been fully recouped.