

EDI Advisory: 05/20/2011

Electronic notification of claims acquisition now available

The Nebraska Worker's Compensation Court has implemented a secure electronic form to simplify the process of notifying the court regarding claims acquisitions. The new Claims Acquisition Notification form is located on our Web site's EDI Information and Services section, listed under Services for EDI Trading Partners.

Select this link to go directly to the Claims Acquisition Notification form.

As noted in our EDI Advisory of 03/31/2011, the court requires both **acquiring** and **prior** claim administrators to provide notice to the court not less than **30 days prior to** the effective date of a claims acquisition.

Claims administrators now have two options for notifying the court regarding claims acquisitions:

- **Option 1:** Complete and submit the electronic notification form on our web site.
- **Option 2:** Provide written notice on company letterhead, as described in our 03/31/2011 EDI Advisory.

Reminder: Claim administrators that fail to provide notice of claims acquisition in a timely manner may have their Acquired Unallocated (AU) and Acquired Payment (AP) transactions rejected. These transactions also may be rejected if they are not reported in accordance with their notice of claims acquisition.

EDI Advisory: 03/31/2011

Best Practices for Acquired Claims

In order to more efficiently process claim acquisition transactions, the Nebraska Workers' Compensation Court now requires **acquiring** and **prior** claim administrators to each provide **written notice** to the court on company letterhead not less than **30 days prior to** the effective date of the claims acquisition, effective immediately.

The written notice should be as specific as possible about the acquisition and must provide:

1. The **Names** and **FEINs** for both the **acquiring** and **prior** claims administrators.
2. The transmission **start date** of the acquisition. If a phased transition is planned (e.g., FROIs acquired first, then SROIs), include the transmission **start dates** for each.
3. An explanation of how open claims will be administered:
 - Will the prior claims administrator continue to administer open claims and report ongoing payments until the open claims are closed (runoff)?
 - Or will the acquiring claims administrator begin to administer open claims and report ongoing payments?
4. The current contact information for the acquiring claim administrator's Business and Technical contacts.
5. An explanation of whether the acquiring claims administrator is able to report Paid-To-Date Codes **430** (Unallocated Prior Indemnity Benefits) and **440** (Unallocated Prior Medical). **If not, explain why.**

Claim administrators that fail to provide notice of acquisition in the form and manner described above may have their Acquired Unallocated (AU) and Acquired Payment (AP) transactions rejected. These transactions also may be rejected if they are not reported in accordance with the notice of acquisition provided to the court.

Reminder: Report prior unallocated benefit payments in the correct segments

There appears to be an issue where some trading partners are not able to report prior unallocated benefit payments for technical reasons. Some have attempted to resolve the issue by reporting prior indemnity benefit payment amounts in the Payment/Adjustment segments rather than using code 430 (Unallocated Prior Indemnity Benefits Paid-To-Date). This causes the cumulative paid indemnity benefit amounts to be overstated. Likewise, non-indemnity benefit payments are reported in the Paid-To-Date segments using Paid-To-Date codes like 350, 360, 370 rather than using code 440 (Unallocated Prior Medical Paid-To-Date). Trading partners should not attempt to report these codes using these non-standard practices.

Reminder: Reporting late payments after the acquisition date

The court has no way to handle transactions for late payments reported after an acquisition date. Unless all parties have agreed to allow for a runoff of open claims, the prior claims administrator should not attempt to report this type of payment.

Reminder: AUs vs. 00s

The first transaction for an acquired claim with a date of injury **prior to** the acquisition date should be sent with an Acquired Unallocated (AU) MTC. If the date of injury occurred **on or after** the acquisition date, a transaction with an Original (00) MTC should be sent.

Reminder: Changing Insurer FEINs or TPA FEINs on non-acquired claims

Claim administrators trying to update the Insurer FEIN or TPA FEIN for non-acquired claims will need to prepare an '02' MTC and notify the court prior to sending the change transaction, so that our EDI operators will know to accept it manually.

Amendments to FROI Implementation Guide

The current **FROI Implementation Guide** is available on our web site (<http://www.wcc.ne.gov/edi/froiguide.pdf>).

Page 18, Acquired Claims. A new section regarding **Best Practices for Acquired Claims** has been added.

Page 26, Cause of Injury Codes. Gunshot (#93) has been added under Miscellaneous Causes.

Page 49, Element Requirements Table. The following updates have been made:

- The Data Element Name for #25 (Insured section), has been changed to "Industry Code."
- The Format for #28, Policy Number, (Policy section), has been changed to "18 A/N" and the End Position has been changed to "434."
- Also, a "Filler" element requirement now follows #28, Policy Number, (Policy section).

Page 53, Edit Matrix Table Usage Instructions. The second paragraph now reads:

"Those elements with 'TE' or 'TR' on the coordinate are edits the NWCC has implemented."

Page 56, Addendum to Edit Matrix Table. The Postal Code Of Injury Site ('DN033') paragraph now reads:

"Postal code must be at least five numeric digits, if not the transaction will be rejected with error code '#028'. Out of state postal codes will be accepted for those injuries incurred out of state, otherwise postal code is expected to be a Nebraska code. If the injury occurred outside of the United States, Nebraska will accept "NOT USA" in the postal code data element — otherwise country codes will not be accepted. Please use the following guideline when specifying a Nebraska postal code. At a minimum a **postal code** should exist in the county for which an accident occurred in Nebraska."

Amendments to SROI Implementation Guide

The current **SROI Implementation Guide** is available on our web site (<http://www.wcc.ne.gov/edi/sroiguide.pdf>).

Page 6, Exceptions to the electronic filing of subsequent reports. The death compensation benefit exception is no longer applicable because we accept these electronically and therefore has been removed.

Page 23, Acquired Claims. A new section regarding **Best Practices for Acquired Claims** has been added.

Page 32, Frequently Asked Questions. The FAQ "*How can we send the agency claim number if the claim was originally filed on paper?*" has been updated to eliminate the reference to "WCC — Search Claims" web application (decommissioned last April) and adding the three methods used for obtaining match data for claims:

1. Review acknowledgements from the court,
2. Submit a records request on the court's web site (<https://www.wcc.ne.gov/apps/IPUBA0003Afrm.aspx>),
3. Contact the court's EDI staff (<https://www.wcc.ne.gov/apps/IPUBA0001Afrm.aspx>).

Page 32, Frequently Asked Questions. The FAQ *"Will an AP from the acquiring claims administrator be accepted if the acquired claims administrator previously filed an IP?"* was applicable only during the transition from paper to electronic filing of subsequent reports and therefore **has been removed**.

Page 34, Frequently Asked Questions. New FAQ added:

Q: *How do I report indemnity benefits paid while an injured worker is participating in an approved vocational rehabilitation plan?*

A: Report payment of these benefits using Temporary Total (Payment Code 050) or Temporary Partial (Payment Code 070), whichever is appropriate. Please **do not** report payment of these benefits using Vocational Rehabilitation Maintenance (Payment Code 410).

Page 35, Frequently Asked Questions. New FAQ added:

Q: *How do I report indemnity benefits paid based on a loss of earning power?*

A: As permanent partial for the number of weeks paid, unless the LOEP is 100 percent and then it would be PTD.