



California Workers' Compensation Institute

1333 Broadway Suite 510, Oakland, CA 94612 • Tel: (510) 251-9470 • Fax: (510) 763 -1592

December 15, 2016

VIA E-MAIL to [dwcrules@dir.ca.gov](mailto:dwcrules@dir.ca.gov)

Maureen Gray, Regulations Coordinator  
Department of Industrial Relations  
Division of Workers' Compensation, Legal Unit  
Post Office Box 420603  
San Francisco, CA 94142

**RE: 2<sup>nd</sup> 15-Day Comment - Workers Compensation Information System (WCIS) Regulations**

Dear Ms. Gray:

These comments on the proposed revisions to the Workers' Compensation Information System (WCIS) regulations are presented on behalf of members of the California Workers' Compensation Institute (the Institute). Institute members include insurers writing 72% of California's workers' compensation premium, and self-insured employers with \$46B of annual payroll (28% of the state's total annual self-insured payroll).

Insurer members of the Institute include AIG, Alaska National Insurance Company, Allianz Global Corporate & Specialty, AmTrust North America, Chubb, CNA, CompWest Insurance Company, Crum & Forster, Employers, Everest National Insurance Company, The Hartford, ICW Group, Liberty Mutual Insurance, Pacific Compensation Insurance Company, Preferred Employers Group, Republic Indemnity Company of America, Sentry Insurance, State Compensation Insurance Fund, State Farm Insurance Companies, Travelers, XL America, Zenith Insurance Company, and Zurich North America.

Self-insured employer members include Adventist Health, ALPHA Fund, CA JPIA, California State University Risk Management Authority, Chevron Corporation, City and County of San Francisco, City of Torrance, Contra Costa County Schools Insurance Group, Costco Wholesale, Country of Alameda, County of San Bernardino Risk Management, County of Santa Clara, Dignity Health, Foster Farms, Grimmway Enterprises Inc., Kaiser Permanente, Marriott International, Inc., Pacific Gas & Electric Company, Safeway, Inc., Schools Insurance Authority, Sempra Energy, Shasta County Risk Management, Shasta-Trinity Schools Insurance Group; Southern California Edison, Special District Risk Management Authority, Sutter Health, University of California, and The Walt Disney Company.

Recommended revisions to the proposed modifications to the Workers' Compensation Information System (WCIS) regulations are indicated by **underscore** and **strikeout**. Comments and discussion by the Institute are indented and identified by *italicized text*.

## §9701 Definitions

### Recommendations

(c)(1) For reporting prior to April 6, 2016 (OAL to insert date six months after date of filing approved regulation with the Secretary of State), use the California EDI Implementation Guide for Medical Bill Payment Records, Version 1.1, dated November 15, 2011, which is incorporated by reference.

(2) For reporting on or after April 6, 2016, but before (OAL to insert date six months after date of filing approved regulation with the Secretary of State), use the California EDI Implementation Guide for Medical Bill Payment Records, Version 2.0, dated April 6, 2016, (OAL to insert date six months after date of filing approved regulation with the Secretary of State), which is incorporated by reference. This Guide adopts ASC (Accredited Standards Committee) X12 Implementation Acknowledgement for Health Care insurance (999) dated February 2011.

(3) For reporting on or after (OAL to insert date six months after date of filing approved regulation with the Secretary of State), use the California EDI Implementation Guide for Medical Bill Payment Records, Version 2.0, dated (OAL to insert date six months after date of filing approved regulation with the Secretary of State), which is incorporated by reference.

### Discussion

*The Institute recommends retaining the existing language for § 9701(c)(1) since the California EDI Implementation Guide for Medical Bill Payment Records, Version 1.1 was in use only through April 5, 2016. Similarly, the April 6, 2016 date should not be stricken from § 9701(c)(2) since it was the implementation date for the California EDI Implementation Guide for Medical Bill Payment Records, Version 2.0. The Institute recommends inserting “but before” to correctly indicate the correct effective dates for California EDI Implementation Guide for Medical Bill Payment Records, Version 2.0, April 6, 2016.*

*The Institute recommends adding § 9701(c)(3) to correctly reflect the implementation date for the revised California EDI Implementation Guide for Medical Bill Payment Records, Version 2.0 with the new date that will be inserted by OAL.*

### Recommendations

(n) IAIABC Workers' Compensation Medical Bill Data Reporting Implementation Guide, Release 2.0, by the International Association of Industrial Accident Boards and Commissions. The IAIABC Workers' Compensation Medical Bill Data Reporting Implementation Guide, Release 2.0 February 1, 2014 IAIABC Workers' Compensation Medical Bill Reporting Implementation Guide, Release 2.0, February 1, 2015 Publication can be obtained from the IAIABC at either the IAIABC website at <http://www.iaabc.org> , or the IAIABC office located at 7780 Elmwood Avenue, Suite 207, Middleton, Wisconsin 53562; Telephone (608) 841-2017-5610 Medical Circle, Suite 24, Madison, WI, 53719-1295; Telephone: (608) 663-6355.

(1) For reporting prior to the designated effective date (~~see designated in~~ subdivision (c)(1)), use the IAIABC EDI Implementation Guide for Medical Bill Payment Records, Release 1.1, July 1, 2009, which is incorporated by reference.

(2) For reporting ~~on or after during~~ the period designated effective date (see in subdivision(c)(2), use the IAIABC Workers' Compensation Medical Bill Data Reporting Implementation Guide, Release 2.0, February 1, 2014 Publication IAIABC Workers' Compensation Medical Bill Reporting Implementation Guide, Release 2.0, February 1, 2015 Publication, which is incorporated by reference.

(3) For reporting on or after the effective date designated in subdivision (c)(3), use the IAIABC Workers' Compensation Medical Bill Reporting Implementation Guide, Release 2.0, February 1, 2015 Publication, which is incorporated by reference.

### Discussion

*The full name for IAIABC has been inserted in (n) as the full name is included in the current regulation and its removal appears to be an error. The new address and telephone number for IAIABC were also inserted to correct outdated information.*

*The Institute recommends revision to § 9701(n), subdivision (2), and the addition of subdivision (3) to reconcile with the proposed language in § 9701(c) subdivisions (1), (2) and (3). Since IAIABC incorporates changes to the IAIABC Workers' Compensation Medical Bill Reporting Implementation Guide, Release 2.0 via amendments instead of release versions it is important to maintain that components that are included with each publication date. Removing the February 2014 publication date from the regulation would remove the requirements that were in place after April 6, 2016, but before adoption of the February 2015 IAIABC publication.*

## §9702 Electronic Data Reporting

### Recommendation

(c) Each transmission of data elements listed under subdivisions (b), (d), (e), (f), or (g) of this section shall also include the following elements for data linkage:

(9) The Time of Injury (DN 32) is required on all non-cumulative trauma first report transmissions except acquired **claim** transmissions and denied, changed and corrected transmissions for claims that have been previously submitted as acquired, under subdivision (b) with a Date of Injury (DN 31) on or after the implementation date of the California EDI Implementation Guide for First and Subsequent Reports of Injury, Version 3.1.

### Discussion

*The Institute recommends inserting "claim" to clarify the first report transmission for an acquired claim rather than an acquired transmission. The claims administrator is not acquiring a transmission, rather the organization has assumed the responsibility for transmitting the data elements for an acquired claim.*

## California EDI Implementation Guide for First and Subsequent Reports of Injury (FROI/SROI)

### Section J: Events that Trigger Required EDI Reports

#### Recommendation

Subsequent Report of Injury

**^Send the Payment (PY) whether the advance or settlement is for the first indemnity payment or after the Initial Payments (IP).** Examples of an advance are a permanent disability advance or a temporary disability advance for a Qualified Medical Evaluation (QME) appointment. Advances should be reported using the appropriate Payment/Adjustment Codes (DN85). Examples of settlements are Compromise and Release (C&R), commutation and stipulated settlements. Settlements should be sent with the 5xx compromised Payment/Adjustment Codes (DN85). Please refer to Section M-System Specifications for more details.

#### Discussion

*The Institute recommends simplifying the language while retaining the clarifying intent of the footnote.*

# California Electronic Data Interchange (EDI) Implementation Guide for Medical Bill Payment Records

## Section VIII: California –adopted IAIABC data edits and California specific data edits and error messages

### Recommendation

		Error codes for 824 acknowledgments																						
	IAIABC Data Element name	001	028	029	030	031	033	034	039	040	041	057	058	059	063	064	070	071	073	074	075	111	117	118
	Error Message	Mandatory field not present	All digits must be 0–9	Must be a valid date (CCYYMMDD)	Must be A–Z, 0–9, or spaces	Must be a valid time	Must be <= Date of Injury	Must be >= Date of Injury*	No match on database	All digits cannot be the same	Must be <= current date	Duplicate Batch/Transaction	Code/ID invalid	Non-match data value not consistent with value previously reported	Invalid event sequence	Invalid data relationship	Must be <= Service Date	Must be >= Service Date	Must be >= Date Payer Received Bill	Must be >= From Service date	Must be <= To Service Date	Must be valid content	Match data value not consistent with value previously reported	Trading partner not approved to submit data
DN	IAIABC Data Element name																							
0511	DATE INSURER RECEIVED BILL						x			c				e										

### Discussion

*The Institute recommends removing the California error edit for DN 0511, Date Insurer Received Bill, which indicates an invalid event sequence. It appears that this may have been entered in error and the intended edit is error code 064 for an invalid data relationship.*

Thank you for the opportunity to comment, and please contact me if additional information would be helpful.

Sincerely,

Stacy L. Jones  
Senior Research Associate

SLJ/pm

cc: George Parisotto, DWC Acting Administrative Director  
Genet Daba, DWC Research Program Specialist  
CWCI Claims Committee  
CWCI Medical Care Committee  
CWCI Regular Members  
CWCI Associate Members