

**NOTICE OF MODIFICATION TO TEXT OF PROPOSED REGULATIONS**

**Subject Matter of Regulations: Workers' Compensation –  
Medical Provider Networks**

**TITLE 8, CALIFORNIA CODE OF REGULATIONS,  
SECTIONS 9701 – 9702**

**NOTICE IS HEREBY GIVEN** that the Acting Administrative Director of the Division of Workers' Compensation (hereinafter "Acting Administrative Director") pursuant to the authority vested in her by Labor Code Sections 133, 138.6, and 138.7, proposes to modify existing regulations, by amending Article 1.1, Subchapter 1 to Chapter 4.5 of California Code of Regulations, title 8, sections 9701 and 9702, relating to the Workers' Compensation Information System:

Amended section 9701    Definitions  
Amended section 9702    Electronic Data Reporting

**PRESENTATION OF WRITTEN COMMENTS AND DEADLINE FOR SUBMISSION  
OF WRITTEN COMMENTS**

Members of the public are invited to present written comments regarding these proposed modifications. **Only comments directly concerning the proposed modifications to the text of the regulations will be considered and responded to in the Final Statement of Reasons.**

Written comments should be addressed to:

Maureen Gray  
Regulations Coordinator  
Department of Industrial Relations  
P.O. Box 420603  
San Francisco, CA 94612

The Division's contact person must receive all written comments concerning the proposed modifications to the regulations no later than 5:00 p.m. on November 28, 2014. Written comments may be submitted via facsimile transmission (FAX), addressed to the above-named contact person at (510) 286-0687. Written comments may also be sent electronically (via e-mail) using the following e-mail address: [dwcrules@dir.ca.gov](mailto:dwcrules@dir.ca.gov).

Due to the inherent risks of non-delivery by facsimile transmission, the Acting Administrative Director suggests, but does not require, that a copy of any comments transmitted by facsimile transmission also be submitted by regular mail.

**Comments sent to other e-mail addresses or facsimile numbers will not be accepted. Comments sent by e-mail or facsimile are subject to the deadline set forth above for written comments.**

## AVAILABILITY OF TEXT OF REGULATIONS AND RULEMAKING FILE

Copies of the original text and modified text with modifications clearly indicated, and the entire rulemaking file, are currently available for inspection at the Department of Industrial Relations, Division of Workers' Compensation, 1515 Clay Street, 17<sup>th</sup> Floor, Oakland, California 94612, between 9:00 A.M. and 4:30 P.M., Monday through Friday. Please contact the Division's regulations coordinator, Ms. Maureen Gray, at (510) 286-7100 to arrange to inspect the rulemaking file.

## FORMAT OF PROPOSED MODIFICATIONS

### Proposed Text Noticed for 45-Day Comment Period:

The proposed text was indicated by underlining, thus: added language. Deletions were indicated by strikeout, thus: ~~deleted language~~.

### Proposed Text Noticed for 15-Day Comment Period on Modified Text:

The proposed text was indicated by double underlining, thus: added language. Deletions are indicated by double strikeout, thus: ~~~~deleted language~~~~.

### Proposed Text Noticed for 2<sup>nd</sup> 15-Day Comment Period on Modified Text:

The proposed text was indicated by bold underlining, thus: **added language**. Deletions are indicated by bold strike-through, thus: ~~**deleted language**~~.

## SUMMARY OF PROPOSED CHANGES

### California EDI Implementation Guide, Version 2.0

- On page 17, a new table was added showing the California-adopted IK4 error codes by data elements, entitled "IK4 Error Codes for 999 Acknowledgments."
- On page 25, the test for balancing rules was changed from the adjustment amounts for the line to the sum of the adjustment amounts for the line.
- On page 26, the word "For" was changed to "for" in the first paragraph.
- On page 27, "IAIABC Workers' Data Reporting Implementation Guide, Release 2.0 February 1, 2014" was changed to "IAIABC Workers' Compensation Medical Bill Data Reporting Implementation Guide, Release 2.0 February 1, 2014," and "LM&TZ908" was changed to "LMTZ-908."
- On page 28, "California-adopted ANSI 999 loop, segment, and error summary" was changed to "California-adopted ANSI 999 loops, segments, and errors summary," and "California-adopted ANSI 837 loop, segment, and data element summary" was changed to "California-adopted ANSI 837 loops, segments, and data elements summary."

- On page 35, “California-adopted ANSI 824 loop, segment, and data element summary” was changed to “California-adopted ANSI 824 loops, segments, and data elements summary.”
- On page 45, “RX” was changed to “Rx” and the title of the “Medical Data Elements Requirement Table” was placed before the table rather than in the header of the table.
- On page 49, “D” was added as a bill type for DN 0556 (condition code).
- On page 50, “RX” was deleted as a bill type for DN 0600 (place of service line code).
- On page 54, “NA” was replaced with “MC” for DN 0760 (prior actual amount paid) in the “correction” column.
- On pages 55-65, the CA Edit Matrix table was revised as follows:

| DN   | IAIABC Data Element Name                          | Change  |
|------|---|---|
| 0006 | INSURER FEIN                                      | Changed from California-specific to IAIABC edits.                                       |
| 0007 | INSURER NAME                                      | Deleted (moved to IK4 error codes table).   |
| 0014 | CLAIM ADMINISTRA-TOR MAILING POSTAL CODE          | Deleted (moved to IK4 error codes table).<br>Added error code 058                       |
| 0015 | CLAIM ADMINISTRA-TOR CLAIM NUMBER                 | Changed from IAIABC to California -specific edits.                                      |
| 0016 | EMPLOYER FEIN                                     | Deleted (moved to IK4 error codes table).   |
| 0018 | EMPLOYER NAME                                     | Deleted (moved to IK4 error codes table).   |
| 0042 | EMPLOYEE SSN                                      | Deleted (moved to IK4 error codes table).   |
| 0043 | EMPLOYEE LAST NAME                                | Deleted (moved to IK4 error codes table).   |
| 0044 | EMPLOYEE FIRST NAME                               | Deleted (moved to IK4 error codes table).   |
| 0188 | CLAIM ADMINISTRATOR NAME                          | Added edit 001.   |
| 0208 | MANAGED CARE ORGANIZA-TION IDENTIFICA-TION NUMBER | Deleted (moved to IK4 error codes table).   |
| 0501 | TOTAL CHARGE PER BILL                             | Deleted (moved to IK4 error codes table). Added edit 111.                               |
| 0503 | BILLING FORMAT CODE                               | Deleted (moved to IK4 error codes table).   |
| 0504 | FACILITY CODE                                     | Deleted (moved to IK4 error codes table).   |
| 0505 | BILL FREQUENCY TYPE CODE                          | Deleted (moved to IK4 error codes table).   |
| 0507 | PROVIDER AGREEMENT CODE                           | Deleted (moved to IK4 error codes table).   |
| 0510 | DATE OF BILL                                      | Deleted moved to IK4 error codes table. Added error code 074.                           |
| 0511 | DATE INSURER RECEIVED BILL                        | Deleted (moved to IK4 error codes table). Added edits 034 and 072.                      |
| 0512 | DATE INSURER PAID BILL                            | Deleted edit 001 (moved to IK4 error codes table). Added edit 034 and deleted edit 072. |

| <b>DN</b> | <b>IAIABC Data Element Name</b>         | <b>Change</b>   |
|-----------|---|---|
| 0513      | ADMISSION DATE                          | Added edit 034.   |
| 0514      | DISCHARGE DATE                          | Added edit 034.   |
| 0515      | CONTRACT TYPE CODE                      | Added edit 064.   |
| 0516      | TOTAL AMOUNT PAID PER BILL              | Deleted edit 001 (moved to IK4 error codes table).  |
| 0520      | OUTPATIENT REASON FOR VISIT CODE        | Deleted (moved to IK4 error codes table). Changed edit 058 from California-specific to IAIABC.      |
| 0527      | PRESCRIPTION BILL DATE                  | Deleted edits 070 and 072 and added edit 034.   |
| 0528      | BILLING PROVIDER LAST/GROUP NAME        | Deleted edit 001 (moved to IK4 error codes table).  |
| 0533      | PRESENT ON ADMISSION INDICATOR          | Added edit 001.   |
| 0535      | ADMITTING DIAGNOSIS CODE                | Added edit 064.   |
| 0537      | BILLING PROVIDER PRIMARY SPECIALTY CODE | Changed from California-specific to IAIABC edit.  |
| 0538      | BILLING PROVIDER PRIMARY ADDRESS        | Deleted edit 001 (moved to IK4 error codes table).  |
| 0540      | BILLING PROVIDER CITY                   | Deleted edit 001 (moved to IK4 error codes table).  |
| 0543      | BILL ADJUSTMENT GROUP CODE              | Deleted edit 001 (moved to IK4 error codes table).  |
| 0544      | BILL ADJUSTMENT REASON CODE             | Added edits 058 and 063.  |
| 0545      | BILL ADJUSTMENT AMOUNT                  | Deleted edit 001 (moved to IK4 error codes table).  |
| 0546      | BILL ADJUSTMENT UNITS                   | Deleted edit 001 (moved to IK4 error codes table).  |
| 0550      | PRINCIPAL PROCEDURE DATE                | Added edit 029.   |
| 0552      | TOTAL CHARGE PER LINE                   | Added edit 001.   |
| 0555      | PLACE OF SERVICE BILL CODE              | Deleted edit 001 (moved to IK4 error codes table). Changed from California-specific to IAIABC edit. |
| 0556      | CONDITION CODE                          | Added edit 058.   |
| 0559      | REVENUE BILLED CODE                     | Deleted edit 001 (moved to IK4 error codes table). Changed from California-specific to IAIABC edit. |
| 0561      | PRESCRIPTION LINE NUMBER                | Deleted edit 001 (moved to IK4 error codes table).  |
| 0562      | DISPENSE AS WRITTEN CODE                | Deleted edit (moved to IK4 error codes table).  |
| 0572      | DRUGS/SUPPLIES BILLED AMOUNT            | Added edit 064.   |

| DN   | IAIABC Data Element Name                       | Change   |
|------|--|--|
| 0580 | DAY(S)/UNIT(S) PAID                            | Added edit 001 and deleted edit 058.                               |
| 0589 | RENDERING LINE PROVIDER LAST/GROUP NAME        | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0595 | RENDERING LINE PROVIDER PRIMARY SPECIALTY CODE | Added edit 058.  |
| 0605 | SERVICE LINE DATE(S) RANGE                     | Deleted edit 001(moved to IK4 error codes table). Added edit 075.  |
| 0615 | REPORTING PERIOD                               | Deleted edit 001 (moved to IK4 error codes table). Added edit 034. |
| 0616 | INSURER POSTAL CODE                            | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0625 | HIPPS RATE CODE                                | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0629 | BILLING PROVIDER FEIN                          | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0638 | RENDERING BILL PROVIDER LAST/GROUP NAME        | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0651 | RENDERING BILL PROVIDER PRIMARY SPECIALTY CODE | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0659 | SUPERVISING PROVIDER FIRST NAME                | Added California edit 001.   |
| 0671 | SUPERVISING PROVIDER PRIMARY SPECIALTY CODE    | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0687 | FACILITY STATE CODE                            | Deleted edit 064 and added edit 058.                               |
| 0704 | MANAGED CARE ORGANIZA-TION FEIN                | Added edit 001.  |
| 0714 | HCPCS LINE PROCEDURE BILLED CODE               | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0715 | JURISDICTION PROCEDURE BILLED CODE             | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0719 | ADA PROCEDURE BILLED CODE                      | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0721 | NDC BILLED CODE                                | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0722 | ADA PROCEDURE PAID CODE                        | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0726 | HCPCS LINE PROCEDURE PAID CODE                 | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0728 | NDC PAID CODE                                  | Deleted edit 001 (moved to IK4 error codes table).                 |
| 0731 | SERVICE ADJUSTMENT GROUP CODE                  | Deleted edit 001 (moved to IK4 error codes table).                 |

| DN   | IAIABC Data Element Name       | Change   |
|------|--------------------------------|--|
| 0732 | SERVICE ADJUSTMENT REASON CODE | Deleted edit 001 (moved to IK4 error codes table). Deleted edit 063. |
| 0733 | SERVICE ADJUSTMENT AMOUNT      | Deleted edit 001 (moved to IK4 error codes table).                   |
| 0734 | SERVICE ADJUSTMENT UNITS       | Deleted edit 001 (moved to IK4 error codes table).                   |
| 0741 | CONTRACT LINE TYPE CODE        | Deleted edit 058 and 064.  |
| 0760 | PRIOR ACTUAL AMOUNT PAID       | Deleted edit 028. Added edit 064.                                    |
| 0762 | COMPOUND INDICATOR             | Deleted edit 001 (moved to IK4 error codes table).                   |

In addition, a note was added on page 65 to indicate that some edits do not apply to cumulative injuries.

- On page 66, “Transmission” was changed to “transmission” at the top of the page.
- On page 71, “Date transmission sent (DN0100)” was changed to “Date Transmission Sent (DN0100),” “Time transmission sent (DN0101)” was changed to “Time Transmission Sent (DN0101),” and the duplicated phrase “Date Transmission Sent, and DN0101 (Original Time Transmission Sent) in the 824” was deleted once.
- On page 76, the table beginning on that page was re-titled, “Lien Bills Data Element Requirement Table” and the title was moved from the header of the table to before the table.
- On page 78, in the Lien Bills Data Element Requirement Table, for DN 0760 (Prior Actual Amount Paid), in the “original” and “correction” columns, “NA” was changed to “MC.”