

STATE OF CALIFORNIA  
DEPARTMENT OF INDUSTRIAL RELATIONS  
DIVISION OF WORKERS' COMPENSATION

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

**Subject Matter of Regulations: Workers' Compensation Information System**

**NOTICE IS HEREBY GIVEN**, pursuant to Government Code section 11346.8(c), that the Acting Administrative Director of the Division of Workers' Compensation, proposes to modify the text of the following proposed amendments to California Code of Regulations, title 8:

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 this proposed modification. **Only comments concerning the proposed modification to the text of the regulation 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  
Division of Workers' Compensation  
Post Office Box 420603  
San Francisco, CA 94142

**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 Thursday, June 10, 2010.**

Written comments may be submitted by facsimile transmission (FAX), addressed to the 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 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 other 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, the modified text with modifications clearly indicated and the entire rulemaking file, are currently available for public review during normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays, at the offices of the Division of Workers' Compensation. The Division is located at 1515 Clay Street, 17th Floor, Oakland, California. 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:**

Deletions from the original codified regulatory text noticed for the 45-comment period are indicated by single strike-through, thus: ~~deleted language~~.

Additions to the original codified regulatory text noticed for the 45-comment period are indicated by single underlining, thus: deleted language.

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

Deletions from the proposed revisions noticed for the 45-day comment period are indicated by strike-through underlining: ~~deleted language~~

Additions to the regulatory text noticed for the 45-day comment period are indicated by double underlining: added language.

Newly proposed deletions from the original codified regulatory text noticed for the 45-comment period are indicated by double strike-through: ~~~~deleted language~~~~.

## **SUMMARY OF PROPOSED CHANGES**

### **Modifications to Section 9701      Definitions**

The effective date of the proposed amendments to the Workers' Compensation Information System (WCIS) regulations is changed from 6 (six) months following the approval of the amendments by the Office of Administrative Law (OAL) and filing with the Secretary of State to 12 (twelve) months. This change is reflected in subdivision (b) (regarding the effective date of the California EDI Implementation Guide for First and Subsequent Reports of Injury, Version 3.0), subdivision (c) (regarding the effective date of the California EDI Implementation Guide for Medical Bill Payment Records, Version 1.1), and subdivision (n) (regarding the effective date of use for the IAIABC EDI Implementation Guide for Medical Bill Payment Records, Release 1.1, approved July 1, 2009).

### **Modifications to Section 9702      Electronic Data Reporting**

Subdivision (b):

- Amend Footnote 4 to read, "If the Social Security Number (DN 42) is not known, use a string of eight zeros followed by a six."

Subdivision (c):

- Amend last sentence of Footnote 3 to read, "If the Social Security Number (DN 42) is not known, use a string of eight zeros followed by a six."

Subdivision (e):

- Add Data Element No. 657 (Rendering Bill Provider Country Code) and Data Element No. 734 (Service Adjustment Units).
- Revise Footnote 7 to delete "If not, use string of ten consecutive nines."

- Revise Footnote 10 to read: “If the Employee is not a United States citizen and has no other form of identification (DN 153, DN 152, or DN 156), use either a string of eight zeros followed by a six or a string of nine consecutive nines.”
- Add Footnote 17 (“Not required for a mixed medical lien lump sum payment or settlement.”) to the following Data Elements: DN 634 (Billing Provider National Provider ID); DN 682 (Facility National Provider ID); DN657 (Rendering Bill Provider Country Code); DN734 (Service Adjustment Units); and DN 667 (Supervising Provider National Provider ID).
- Change “medical lien bills” in Footnote 11 to “medical lien lump sum payments or settlements”.
- Revise Footnotes 12, 14, 15, 16, 17, and 18 to include settlements.

### **Modifications to California EDI Implementation Guide for First and Subsequent Reports of Injury (Version 3.0)**

1. Change effective date of Guide on cover page and footer to be 12 months following approval and filing with Secretary of State.
2. Use “Electronic Data Interchange” instead of acronym “EDI” on page 2.
3. Clarification of California EDI Requirements on page 4.
4. Clarification regarding the allowed methods of transmitting data to WCIS on page 5.
5. On page 28, change effective date of Trading Partner Profile form to be 12 months following approval and filing with Secretary of State.
6. Clarification of Trading Partner Types on page 28 of Trading Partner Profile form.
7. Update DWC Postal Code on page 31 (Trading Partner Profile form).
8. Clarification of Trading Partner Types in California EDI Trading Partner Insurer/Claim Administrator ID List on page 32.
9. Indicate change of revision date for Trading Partner Profile form on page 43
10. Delete reference to communication port 990 on page 71.
11. Under FROI Conditional Rules and Implementation Notes on page 92, change conditional requirement for DN16 (Employer FEIN) to: “If employer has no FEIN or refuses to provide, send "000000006. Employer FEIN should not equal Insurer FEIN unless self-insured.”
12. Under FROI Conditional Rules and Implementation Notes on page 92, add conditional requirement for DN25 (Industry Code): “See Section N for reporting guidelines on industry code.”
13. Under FROI Conditional Rules and Implementation Notes on page 93, change conditional requirement for DN42 (Social Security Number) to: “If employee has no SSN or refuses to provide, send 000000006.”
14. Under SROI Conditional Rules and Implementation Notes on page 99, change conditional requirement for DN42 (Social Security Number) to: “If employee has no SSN or refuses to provide, send 000000006.”
15. Clarify Agency Claim Number/Jurisdiction Claim Number (JCN) paragraph on page 114.
16. On page 145, state that “Payments for the California Supplemental Job Displacement Benefit (SJDB) Program should be sent under DN95, BTC 390.”
17. On page 146, clarify that payments for the California Supplemental Job Displacement Benefit (SJDB) Program should be sent under DN95, BTC 390.
18. On pages 161-163, update Differences Between Version 2.1 and Version 3.0 of WCIS.

## **Modifications to California EDI Implementation Guide for Medical Bill Payment Records (Version 1.01)**

1. Change effective date of Guide on cover page and footer to be 12 months following approval and filing with Secretary of State.
2. Delete “Events that trigger required medical EDI reports” under Section J on page iv of Table of Contents; move “California-adopted IAIABC data elements” to Section J.
3. Clarify Electronic data interchange section on pages 2-3. Use “Electronic Data Interchange” instead of acronym “EDI”; delete unnecessary informational paragraph.
4. Add: “FROIs must be submitted to WCIS no later than 10 business days after claim administrator knowledge of the claim.” to “First reports” section on page 4.
5. Revise to indicate that subsequent reports must be submitted within 15 business days on page 4.
6. Clarify “Medical bill/payment records” EDI requirements on page 4.
7. Remove period before IAIABC web link in second paragraph on page 5.
8. Add period to end of first sentence on page 7.
9. Remove period before IAIABC web link at end of second sentence on page 8.
10. Change “self-insurer” to “self-insured” under “Trading partner type” on page 26.
11. Change “Mode of Transmission” to “File Format” on page 27.
12. Add Date/Time Transmission Sent (DN100 & DN101) Format: CCYYMMDDHHMM on page 29.
13. Correct the “Mode of Transmission” paragraph on page 32 regarding instructions for completing the Trading Partner Agreement.
14. Add “Date/Time of Transmission” paragraph on page 36 regarding instructions for completing the Trading Partner Agreement.
15. Remove period before IAIABC web link at end of second to last paragraph on page 47.
16. Add Error Code 031 (requiring valid time format) on page 49.
17. Remove period before IAIABC web link in “Production Status” paragraph on page 51.
18. Restore “Data Quality Reports” paragraph on page 51.
19. Add DN657 (Rendering Bill Provider Country Code) to California ANSI 837 loop, segment, and data element summary on page 58.
20. Add DN734 (Service Adjustment Units) to California ANSI 837 loop, segment, and data element summary on page 61.
21. Delete contents of Section J (“Events that trigger required medical EDI reports”) and move former Section O, California-adopted IAIABC data elements – to Section J. Add DN657 (Rendering Bill Provider Country Code) and DN734 (Service Adjustment Units) to numerically-sorted list of California-adopted IAIABC data elements.
22. Delete X in Payer and HCP in DN634 on page 84.
23. Delete X in JLB in DN523 on page 84; add X in HCP.
24. Add 11 in CMS1500 in DN15 on page 84.
25. Delete DN105 (Interchange Version ID) row on page 86.
26. Delete X in JLB in DN704 on page 86; add X in Payer.
27. Delete X in JLB in DN208 on page 86.
28. Add 78, 79 in UB04 in DN699 on page 86.
29. Add row for DN657 (Rendering Bill Provider Country Code) on page 86. Add 32 in CMS1500; add 1 in UB04.
30. Add 24J\_1 in CMS1500 in DN595 on page 87.
31. Add 24J\_1 in CMS1500 in DN599 on page 87.
32. Add row for DN734 (Service Adjustment Units) on page 87. Add “x” in Payer.
33. Add explanation of Bill Submission Reason Codes (00 = Original; 01 = Cancellation; 05 = Replace) on page 88.
34. Add sentence on page 88 stating that Element Requirement Table does not apply to Medical Lien Lump Sum Payments or Settlements.
35. Revisions to the Medical Data Element Requirement Table (pages 95-101):

- Add “Does not apply to Medical Lien Lump Sum Payments or Settlements” to Medical Data Element Requirement Table on pages 95-101.
  - For DN523, change “C” to “M” in “00”; change C to M in “01” and change O to M in “05”. Delete mandatory trigger.
  - Revise the mandatory trigger language for DN502 to “If Billing Format Code (DN503) equals “B” and the bill contains one hundred percent pharmaceutical codes or one hundred percent durable medical codes.”
  - For DN31, change “O” to “M” in “01”; change “O” to “M” in “05”.
  - For DN42, delete: “ If employee refuses to provide SSN, send “000000007.”
  - For DN726, return to original language.
  - Revise the mandatory trigger language for DN714 to: “If Billing Type Code (DN502) not equal to “RX” or “MO”, and if Jurisdiction Procedure Billed Code (DN715) or NDC Billed Code (DN721) not present or not present when Billing Format Code (DN503) equal “A”.
  - For DN729, return to original language.
  - For DN728, return to original language.
  - For DN 507, change the mandatory trigger to “Enter the value “P” if the injured workers medical treatment is provided within a Medical Provider Network approved by the DWC. H = HMO Agreement. N = No Agreement. Y = PPO Agreement”.
  - Add row for DN657 (Rendering Bill Provider Country Code). Add “C” for “00”, “O” for “01”, and “O” for “05”. Add mandatory trigger language: “If service provide outside the United States”.
  - For DN 656, change “M” to “C” in “00”; add mandatory trigger language: “If service provided inside the United States “.
  - For DN647, clarify that a valid code must be provided, if available. Remove “Provide if available. If not, use string of consecutive nines” from the mandatory trigger language. Change “M” to “C” in “00”.
  - For DN643, clarify that a valid code must be provided, if available. Remove “See WCIS regulation 9702(e) footnote 7.” from the mandatory trigger language.
  - Place DN586 in proper alphabetical position.
  - Place DN589 in proper alphabetical position.
  - Place DN592 in proper alphabetical position.
  - Place DN593 in proper alphabetical position.
36. Add row for DN657 (Rendering Bill Provider Country Code) in California-Adopted IAIABC Data Edits and Error Messages table (page 107). Add “x” in the 058 “Code/ID valid” column.
  37. Add row for DN734 (Service Adjustment Units in California-Adopted IAIABC Data Edits and Error Messages table (page 108). Add “x” in the 028 “Must be numeric (0-9) column.
  38. Insert “Agency claim number” on top section of page 112. Clarify first sentence of section to read: “The Agency Claim Number (DN5) is most often referred to as the Jurisdiction Claim Number (JCN).”
  39. Add “All corrected medical bill reports should be reported immediately” to third paragraph under “Transaction processing and sequencing” heading on page 112.
  40. Add “All replacement medical bill reports should be reported immediately” to third paragraph under “Transaction processing and sequencing” heading on page 112.
  41. Capitalize “Claim Administrator Claim Number” in paragraph “Replacing a claim administrator claim number” on page 114.
  42. Revise section “Matching transmissions, transactions and duplicate medical bills” on pages 114-115.
  43. Minor punctuation corrections in first full paragraph on page 117.
  44. Clarify paragraph 2 under “Unmatched Transactions” section on page 117. Add code source for DN657 (Rendering Bill Provider Country Code) on page 123.
  45. Correct web link on page 124 for ICD-9 code source.

46. On page 146, change citation from “ Labor Code section 4903(b)” to “Labor Code sections 4903 and 4903.1”.
47. For Section O on pages 146 and 147, change “lump sum settlement” and “lump sum payment” to “Medical Lien Lump Sum Payments or Settlements” (except for the 6 IAIABC codes listed in the table on page 146).
48. Correct web link for online version of DWC WCAB Form 6 on page 146; minor grammatical changes.
49. Update Appendix A, “Major changes in the medical implementation guide”, on page 148.