



California Workers' Compensation Institute
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January 13, 2015

VIA E-MAIL to 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: CWCI 3rd 15-Day Comment on Proposed Modifications to 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 74% of California's workers' compensation premium, and self-insured employers with \$46B of annual payroll (26% of the state's total annual self-insured payroll).

Insurer members include ACE, AIG, Alaska National Insurance Company, AmTrust North America, Chubb Group, CNA, CompWest Insurance Company, Crum & Forster, Employers, Everest National Insurance Company, Fireman's Fund Insurance Company, The Hartford, ICW Group, Liberty Mutual Insurance, Pacific Compensation Insurance Company, Preferred Employers Group, Republic Indemnity Company of America, Springfield Insurance Company, 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, Agilent Technologies, Chevron Corporation, City and County of San Francisco, City of Santa Ana, City of Torrance, Contra Costa County Schools Insurance Group, Costco Wholesale, County 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, 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*.

**California Electronic Data Interchange (EDI) Implementation Guide for Medical Bill Payment
Records Version 2.0**

Recommendation

999 Functional processing and sequencing

When the IAIABC Workers' Compensation Medical Bill Data Reporting 837 file is fully accepted with no errors by the WCIS, AK901 = A is returned to the trading partner. If the 837 file is partially accepted due to error in some of the transactions sets submitted, **with** AK901 = P is returned to trading partners. The following two steps outline the accepted 837 transmission procedure for full acceptance and then for partial acceptance.

Discussion

The latest revision inserted "with," which introduces confusing language. The Institute recommends deleting "with" in order to revert to the previous language, which provided more clarity.

Recommendation

The Insurer FEIN (DN0006), Employer FEIN (DN0016), and Unique Bill ID Number (DN0500) are utilized to match the original or replacement report (BSRC=00 or 05) to the corrected report (BSRC=02). The DWC/WCIS requires the DN0500 be identical in both, the original (00) and the corrected (02) transactions. If the two DN0500s do not match, the WCIS will return a "TA" for each ST-SE transaction set accepted in the OTI01, an **IR** in a subsequent OTI01 for each bill\transaction rejected, and **an** error code, **117**-Match data value not consistent with value previously reported, will be reported in the LQ02 segment, and the unmatched DN0500 in the RED01 segment in the 824 Acknowledgment returned to the sender.

Discussion

The Institute recommends deleting "an" and enclosing the actual codes in parentheses, as was done when identifying "TA" as the returned code for an accepted transaction set. The use of "an" implies that there may be an error code in addition to "117" that may be returned in the LQ02 segment. The recommended revisions would provide greater clarity in identifying the defined codes and their usage.

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: Destie Overpeck, DWC Acting Administrative Director
Genet Daba, DWC Research Program Specialist
CWCI Claims Committee
CWCI Medical Care Committee
CWCI Regular Members
CWCI Associate Members