



California Workers' Compensation Institute

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June 9, 2016

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: 1st 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/Fireman's Fund Insurance Company, 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, California State University Risk Management Authority, Chevron Corporation, City and County of San Francisco, City of Santa Ana, 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, Semptra 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*.

§9702 Electronic Data Reporting

Recommendations

(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 first report transmissions except **those for acquired claims, reports and denied, changed and corrected reports for claims that have been previously 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.

(h) Final reports (MTC = FN) are required only for claims where indemnity benefits are paid or claims where no benefits are paid. For medical-only **or non-indemnity benefit only** claims, the final report may be reported under this section or on the annual report (MTC = AN) with Claim Status (DN0073) = "closed."

Discussion

The Institute recommends replacing "reports" with "claims" under §9702(c) since the data element is related to an acquired claim that is being reported rather than an acquired report. We also recommend striking the proposed language that has been added to §9702(c) because it is unclear and creates confusion. The Institute has inserted recommended language that clarifies exemption of all FROI transmissions for acquired claims that would include denials, changes and corrections.

The Institute recommends deleting the proposed language that has been added to §9702(h) because it is unclear what is meant by "non-indemnity benefit only claims". If the language is not removed, then a parenthetical example of what is defined as a "non-indemnity benefit-only claim" should be added.

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

Data Completeness and Accuracy Quality Requirements

Recommendation

Data sent to WCIS will continue to be monitored for completeness and validity. The following are guidelines for data quality that Trading Partners should strive to meet or exceed:

At least 95% of all required FROI and SROI reports should be submitted on-time and accurately.

- **Timeliness**

- **FROI Reports:** ≥ 95% of FROIs should be submitted and accepted (Application Acknowledgment codes TA or TE) within 10 business days of the Date Reported to Claim Administrator (DN 41).
- **SROI Reports:** ≥ 95% of SROIs should be submitted within 15 business days of the triggering event.

- **Accuracy**

FROI and SROI reports - **of the reports accepted (Application Acknowledgment codes TA and TE), no more than 5% should have an uncorrected TE (Application Acknowledgment code = TE)."- no more than 5% of the accepted FROI and SROI reports (Application Acknowledgment codes TA and TE) should have an uncorrected TE (Application Acknowledgment code = TE).** This is the same as saying that at least 95% of the accepted reports are free of any errors in mandatory/serious or conditional/serious data elements. **The 5% error calculation excludes TE records that are not correctable.**

Discussion

The Institute recommends formatting changes to improve the readability of the requirements being defined for timeliness and accuracy of FROI and SROI reporting.

Circumstances arise that do not allow for correction and resubmission in response to a TE acknowledgement. The following information has been posted by DWC on the WCIS FAQ webpage in response to a question related to the reporting of foreign zip codes:

“Although the WCIS only validates United States and Canadian postal codes, all foreign postal codes should be reported when applicable. A transaction accepted with error (TE) acknowledgment may be sent to the trading partner but if the foreign zip code is valid, the TE acknowledgment can be ignored”.

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