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 –
Workers' Compensation Information System

TITLE 8, CALIFORNIA CODE OF REGULATIONS,
SECTIONS 9701-9702

NOTICE IS HEREBY GIVEN that the Acting Administrative Director of the Division of Workers' Compensation, 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 September 19, 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.

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, 17th 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: <u>added language</u>. Deletions ere 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: <u>added language</u>. Deletions are indicated by double strikeout, thus: ~~deleted language~~.

SUMMARY OF PROPOSED CHANGES

1.   Section 9701

§ 9701(d): Reference to the pre-2014 fee schedule regulations, in effect from July 1, 2004 through December 31, 2013, has been added to this subdivision. In addition, reference to the California EDI Implementation Guide for Medical Bill Payment has been changed from version 2.0 to version 1.1.

§ 9701(n)(2): The date February 1, 2013 has been changed to February 1, 2014.

2.   Section 9702

§ 9702(e): The following changes have been made to the table that appears in this subdivision:
- The name of DN0527 has been changed from "Prescription Bill Date" to "Prescription Date(s) Range."
- The order of the lines for Admitting Diagnosis Code (DN0535) and Admission Type Code (DN0577) has been reversed.
- The name of DN0541 has been changed from "Billing Provider State" to "Billing Provider State Code."
- The line for DN0624 has been deleted.

§ 9702(e)(3): The date February 1, 2013 has been changed to February 1, 2014.

3.   California EDI Implementation Guide for Medical Bill Payment Records

Section I
- On pages 3, 7 and 10, the fax number and references thereto are deleted.

Section V
- On page 25, for LOOP ID 2010CA, information was added for segment REF, data element 0015.
- On page 26, for segment DPT, data element 0527, "Prescription Date" was changed to "Prescription Date(s) Range."

Section VI
- On page 33, on the California Medical Elements by Source table, under the NCPDP column, 17 was added to DN0015.
- On page 33, on the California Medical Elements by Source table, under the NCPDP column, 12 was added to DN0042.
- On page 34, on the California Medical Elements by Source table, under DN0505, the 22 under CMS-1500 was deleted.
- On page 34, on the California Medical Elements by Source table, under the UB04 column, 45 was changed to 6 for DN0509.
- On page 34, on the California Medical Elements by Source table, under the UB04 column, 6 was deleted for DN0510.
- On page 34, on the California Medical Elements by Source table, the name of DN0522 has been changed from "ICD-9 CM Diagnosis Code" to "Diagnosis Code."
- On page 34, on the California Medical Elements by Source table, under the NCPDP column, 66 was changed to 65 for DN0527, the title of which was changed from "Prescription Bill Date," to "Prescription Dates(s) Range."
- On page 35, on the California Medical Elements by Source table, under the NCPDP column, 34 was changed to 51 for DN0528.
- On page 35, on the California Medical Elements by Source table, under the NCPDP column, 35 was changed to 52 for DN0538.
- On page 35, on the California Medical Elements by Source table, under the NCPDP column, 36 was changed to 53 for DN0540.
- On page 35, on the California Medical Elements by Source table, under the NCPDP column, 37 was changed to 54 for DN0541.
- On page 35, on the California Medical Elements by Source table, under the NCPDP column, 38 was changed to 55 for DN0542.
- On page 35, on the California Medical Elements by Source table, under the NCPDP column, 76 (single drug) and 94 (compound drug) were added for DN0563.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 71 was changed to 72 for DN0571.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 102 (single drug) and 98 (compound drug) were added for DN0572.
- On page 36, on the California Medical Elements by Source table, for DN0592, Field 24J was added under the CMS-1500 column.
- On page 36, on the California Medical Elements by Source table, the line for DN0593 is deleted.

- On page 36, on the California Medical Elements by Source table, for DN0595, Field 24J was deleted under the CMS-1500 column.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 66 was changed to 65 for DN0604.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 66 was added for DN0605.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 22 was added for DN0616.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 49 was added for DN0629.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 49 was added for DN0630.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 32 was changed to 49 for DN0634.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 34 was added for DN0638.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 32 was added for DN0643.
- On page 36, on the California Medical Elements by Source table, under the NCPDP column, 32 was added for DN0647.
- On page 37, on the California Medical Elements by Source table, under the UB04 column, 78 was deleted for DN0658.
- On page 37, on the California Medical Elements by Source table, under the UB04 column, 78 was deleted for DN0659.
- On page 37, on the California Medical Elements by Source table, under the NCPDP column, 42 was added for DN0690, and the source, 17, was added under the CMS-1500 column.
- On page 37, on the California Medical Elements by Source table, under the NCPDP column, 43 was added for DN0691, and the source, 17, was added under the CMS-1500 column.
- On page 37, on the California Medical Elements by Source table, under the NCPDP column, 40 was added for DN0699.
- On page 37, on the California Medical Elements by Source table, under the NCPDP column, 95 (for compound drugs) and 69 (for single drugs) were added for DN0721.
- On page 38, on the California Medical Elements by Source table, the name of DN0736 has been changed from "ICD-9 CM Procedure Code" to "Other Procedure Code."
- On page 38, notations are added that a single asterisk indicates a single drug, while a double asterisk indicates compound drugs.

Section VII
- On the Data Element Requirement table which begins on page 41, the phrase "does not apply to medical liens, lump sum payments or settlements" was added to the title of the table.

- On page 41, on the Data Element Requirement table, for DN0014, the letter "C" was deleted from columns 00, 01, 02 and 05, and the information in the Business Condition/Mandatory Trigger column was deleted.
- On page 42, on the Data Element Requirement table, the rows for DN's 0293 and 0502 were deleted.
- On page 43, on the Data Element Requirement table, for DN0521, under the Business Condition/Mandatory Trigger column, "required when reporting institutional claims" was changed to "required when the SV2 Institutional Services segment is reported."
- On page 43, on the Data Element Requirement table, for DN0527, under the Data Element Name column, "Prescription Date" was changed to "Prescription Date(s) Range."
- On page 44, on the Data Element Requirement table, for DN0533, under the Business Condition/Mandatory Trigger column, "required on inpatient hospital bills for exempt diagnosis" is replaced with "required on inpatient hospital bills and diagnosis is not listed as exempt."
- On page 44, on the Data Element Requirement table, for DN0537, AA is changed to AR.
- On page 44, on the Data Element Requirement table, for DN0543, under the Business Condition/Mandatory Trigger column, the phrase, "or when submitting aggregate or summary records" is deleted.
- On page 45, on the Data Element Requirement table, for DN0551, MC is changed to AA.
- On page 45, on the Data Element Requirement table, for DN0556, under the Business Condition/Mandatory Trigger column, the phrase, "required when condition codes impact the adjudication of the medical bill" is added, and under the Bill Type(s) column, P is added.
- On page 45, on the Data Element Requirement table, for DN0587, under the Bill Type(s) column, "All" is replaced with I, P and D.
- On page 46, on the Data Element Requirement table, for DN's 0589, 0592, 0595 and 0599, under the Bill Type(s) column, "All" is changed to I, P and D.
- On page 46, on the Data Element Requirement table, for DN0600, under the Bill Type(s) column, RX is added.
- On page 46, on the Data Element Requirement table, for DN0605, under the Bill Type(s) column, "I, P, RX, D" is changed to "All."
- On page 47, on the Data Element Requirement table, for DN's 0658, 0659 and 0667, the information under the Bill Type(s) column is changed to P.
- On page 47, on the Data Element Requirement table, for DN0671, AA is changed to AR, and the information under the Bill Type(s) column is changed to P.
- On page 50, on the Data Element Requirement table, for DN0760, under the Business Condition/Mandatory Trigger column, the language, "required for lien bills, when reporting bill adjudication actions related to a medical bill that has previously paid been reported" is replaced with the language, "required when reporting bill adjudication actions related to a medical bill previously paid (prior to receipt of the request for reconsideration or appeal)."
- On page 50, on the Data Element Requirement table, for DN0761, under the Business Condition/Mandatory Trigger column, the language, "required when reporting line-level adjudication actions related to previously medical bill reported" is changed to, "required when reporting line-level adjudication actions related to a previously paid medical bill (prior to receipt

of the request for reconsideration or appeal) reported," and the word "All" is added to the Bill Type column.

Section VIII
- On page 54, on the California-adopted IAIABC data edits and California specific data edits and error messages matrix, for DN0527, the name has been changed from "Prescription Bill Date" to "Prescription Date(s) Range."

Section IX
- On page 70, under the heading "Lump sum bundled lien bill payment," the introductory paragraph is revised to reference authority as Labor Code section 4600, and the IAIABC Workers' Compensation Medical Bill Data Reporting Implementation Guide Release 2.0, February 1, 2014, section 1.7, along with other minor typographical changes.
- On page 70, under the heading "Lump sum bundled lien bill payment," for lump sum payments under DN0512, the date the insurer paid the bill is specified as the date of final payment.
- On page 70-71, under the heading "Lump sum bundled lien bill payment," the paragraph relating to reporting for DN0729 is deleted.
- On page 71, for DN0509, the language is modified to state that the date of lien filing should be used as the service bill date.
- On page 71, for DN0516, the language is modified to state that the total amount paid should reflect the amount of the settlement or order.
- On page 71, for DN0501, the language is modified to state that the amount in dispute should be used as the total charge per bill.
- On page 71, above the Lien Bills Data Element Requirement Table, the language, "data elements required to be reported in a Lump Sum. Lien bills are listed below" is replaced with "data elements required to be reported in a Lump Sum payment or settlement of a lien are listed below."
- For the Lien Bills Data Element Requirement Table beginning on page 71, columns are added for Original (00), Cancellation (01), Correction (02), Replace (05), and Business Condition/Mandatory Trigger, all of which are newly populated in the table, which continues on pages 72 and 73. The following DN's are deleted from the table: 0522, 0547 and 0729. DN 0504 is added to the table.
- On page 71, for DN0042, under the Business Condition/Mandatory Trigger column, the language "Required when employee has SSN." was added.
- On page 72, for DN0529, under the Business Condition/Mandatory Trigger column, the language, "Required when the billing provider is an individual." is added.
- On page 72, for DN0543, the data element name is changed from "Bill Adjustment Units" to "Bill Adjustment Group Code." and in the Business Condition/Mandatory Trigger column, the following language is added: "Required when adjustments were applied to the aggregate or summary records. Required if the total settled amount is less than the total lien amount."

- On page 72, for DN0544, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when adjustments were applied to the aggregate or summary records. Required if the total settled amount is less than the total lien amount."
- On page 72, for DN0545, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when bill level adjustments, bill level amounts, or prior payment amounts are reported."
- On page 72, for DN0546, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when the number of service units has been adjusted."
- On page 72, for DN0634, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when the provider is eligible to receive an NPI."
- On page 72, for DN0638, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when different from DN0528 Billing Provider Last/Group Name."
- On page 72, for DN0639, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when DN0638 Rendering Bill Provider Last/Group Name is present and the rendering bill provider is a person."
- On page 72, for DN0643, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when the DN0638 Rendering Bill Provider Last/Group Name is present and the provider is not eligible for an NPI. If provider is not eligible for state licensing, enter 999999999."
- On page 73, for DN0647, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when DN0638 Rendering Bill Provider Last/Group Name is present, and the provider is eligible to receive an NPI".
- On page 73, for DN0651, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when DN0638 Rendering Bill Provider Last/Group Name is present and is a person."
- On page 73, for DN0760, in the Business Condition/Mandatory Trigger column, the following language is added: "Required when reporting bill adjudication actions related to medical bill(s) previously paid."