

ADVISORY NO. 381
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TOPIC: INFORMATION RELATING TO 837 IMPLEMENTATION

Beginning on September 1, 2005, TWCC intends to assess administrative violations for noncompliant data filed under the new 837 data format. If a carrier is not submitting data at a 98% plus accuracy, it intends to revoke the trading partner's filing privileges.

The project has two faces. First, the new coding must be used now on all EOBs. Accordingly, this task may affect day-to-day claims responsibilities in many claim offices where claims staff prepare the EOB for retrospectively reviewed services. TWCC has posted a table containing the new 837 coding. That is electronically attached to this Advisory. It is also available on the FO&L and TWCC web sites.

Secondly, the new format is now required for all electronic data transmission to TWCC. This is a task which is almost invariably handled by medical bill vendors. Accordingly, this Advisory should be forwarded to all medical bill vendors utilized by your company.

It will be extraordinarily hard for carriers to complete the transition to this data format, to become approved for transmission, and then become fully compliant for data transmission within the next six months. Remember that TWCC expects all data captured since February 25, 2005 to be uploaded in this format within 24 hours after vendor approval for transmission. Carriers are required to capture and electronically report pharmacy and dental expenses as of January 1, 2005 as well.

Some of the problems currently identified have been summarized by Rachel Toungate of Forte based upon the TWCC meeting between TWCC and industry representatives. Dr. Luke was kind enough to share the concerns of Ms. Toungate and has authorized me to forward the memorandum to our clients. If this is a concern for one medical bill vendor, it is probably a shared concern of other vendors, and those problems should be collectively addressed by all parties who will be filing medical billing data (and thus subject to fines) as soon as conveniently possible.

At the public meeting TWCC also released a prepared Q&A formatted discussion relating to implementation of the 837 standard. That is also attached to this Advisory. In addition, TWCC has posted a table containing the new coding. We have posted that on our website.

FLAHIVE, OGDEN & LATSON

An electronic copy of the Q&A is also attached.

http://www.twcc.state.tx.us/information/ediguide/medical_edu_q&a.pdf

TWCC may schedule a follow up meeting to further address specific problems in implementing the 837 standard. The next meeting will be posted on the TWCC website.