

ADVISORY NO. 422
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TOPIC: DWC ATTEMPTS TO CLARIFY EBILLING DUTIES

The Division of Workers' Compensation recently conducted an eBilling educational meeting in its Austin office. The meeting was geared toward health care providers with the apparent goal of encouraging more providers to participate in the eBilling system. Anna Dunn from the Division of Workers' Compensation conducted the seminar and answered questions after it was concluded.

Ms. Dunn began her presentation with an overview of the history of eBilling in Texas. She stated that eBilling is likely to become a national initiative in future years and observed that Texas is designing its program with an eye toward making the Texas process generic enough to be used nationally.

While the eBilling process is designed to minimize the production of paper within the Texas Workers' compensation system, it will not avoid it completely. At best, the eBilling initiative will only reduce the amount of paper within the system. At its worst, the new process will increase the use of paper within the system. Ironically, if a billing dispute arises and the case proceeds to the Division or the Courts for dispute resolution, a paper bill must be produced.

eBilling is not a mandatory process in one sense. All providers and carriers who have not been granted a waiver are required to have the capability to send and receive eBills electronically, but they are not required to actually send them or receive them that way. In other words, if a provider has the capability to send bills electronically, but chooses not to do so, he is in compliance with the statute. The legislature hopes that all system participants will adopt the eBilling methodology, but recognizes that some will not do so.

The eBilling project has five recognized goals: 1) To align with national standards and industry practices; 2) to leverage existing technology and relationships; 3) to minimize workers' compensation specific requirements; 4) to provide flexibility to trading partners; and 5) to reduce administrative costs.

One of the more difficult problems with eBilling implementation is the problem of documentation. Carriers generally require some level of documentation in order to pay a bill. The level of documentation required differs from case to case. The Division prefers that providers not over-document their bills. In other words, they prefer that providers submit only essential documentation with their bills, and that they then wait for the carrier to prompt the need for further documentation with a second or further request. In this way, the amount of paper that flows from provider to carrier is lessened, and carriers are less likely to misfile or discard documentation that was originally viewed as unnecessary.

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If a bill is submitted electronically, the documentation for that bill must also be submitted electronically. The provider gets to choose which electronic format or method he will use to submit any such documentation. His options include submission using the ANSI X12 275 Documentation Attachment method, facsimile or email. The Division discourages the use of email for documentation submission because of privacy concerns.

At a minimum, any submitted electronic documentation must include the following information: 1) a document identification number -- also referred to as a unique tracer number; 2) the injured workers' name; 3) the Carrier's name; 4) the Health Care Provider's name; 5) any related medical bills; and 6) the dates of service.

Carriers must clearly identify any fax numbers or email addresses that they use to receive documentation submission.

The Division is sensitive about the distinction between eBilling Agents and eBilling Clearinghouses. eBilling Agents process the carrier's eBills for them and match the eBills to the carrier's electronic claims system. An eBilling clearinghouse simply transports the file from the provider to the carrier's designated eBilling Agent. The Division rules do not require the use of Clearinghouses. Moreover, the Division does not regulate the cost of eBilling systems. These are considered matters of private negotiation between system stakeholders and their vendors. Carriers can avoid the use of eBilling Agents or eBilling Clearinghouses by establishing a Direct Data Entry or other web-based solution for eBilling.

The Division believes that many eBilling problems can be avoided if system stakeholders will adopt uniform Payer ID Numbers. One private initiative that is attempting to encourage that goal is the SeBIN initiative. For more information about this undertaking, the Division encourages system stakeholders to review the information available at the following website: www.Sebin.pbwiki.com.

The Division reminds carriers that they must report their eBilling Agent to the Agency via the DWC-27. Carriers who have agreements with several eBilling agents should provide the Agency with a website address or URL as their eBilling Contact on the DWC-27. The carrier's URL in these instances should display and identify the carrier's eBilling agents and their contact information in a manner that allows health care providers to determine who to contact in order to enable electronic transmission of their medical bills.

Note the Division still has not issued a written guide to assist carriers who have unbundled business in complying with their filing and notice obligations. We have been consistently advised by Division staff that carriers who have relationships with more than one administrator can satisfy their obligations by creating a web page that lists each TPA with whom the carrier does business as well as contact information for that TPA and/or its eBilling Agent. We continue to press the Agency for written approval of such a process.

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We are continuing to monitor the Texas eBilling process on your behalf. If you have questions, please feel free to contact Steve Tipton, James Sheffield or Bobby Stokes.