



ADVISORY NO. 527

TOPIC: Requirement to Update Claim Administration Contact Information on DWC-121

On June 2, 2022, Joseph McElrath, Deputy Commissioner for Business Process, issued a Memorandum that required the carriers to review and update claim administration contact information via the DWC-121 form. The carriers were expected to make changes and updates by July 31, 2022. The carriers had two options. The first option was to have the insurance carrier contact information on a web address. If the carrier selected that option, then it was not required to complete boxes 17 through 58; however, if the carrier selected option 2, which was to provide specific information, the carrier was to complete all of the boxes except box numbers 15 and 16.

The claim administration contact information would include the following:

1. Claim Adjustment;
2. Coverage Verification;
3. Medical Billing;
4. Pharmacy Billing;
5. Preauthorization;
6. Workers' Compensation Healthcare Network.

After the carrier submitted the updated information, an audit would follow.

On July 29, 2022, Joseph McElrath issued another Memorandum that discussed billing for claim Electronic Data Interchange (EDI) data collection services. He noted that TDI, DWC adopted the Texas claim EDI release 3.1.4 standard on March 9, 2022. DWC has a designated data collection agent, which is identified as Verisk Analytics, which will bill insurance carriers, other than governmental entities, to recover the costs associated with collecting claim data for DWC.

There is a one-time startup cost, which will be allocated across Texas insurance carriers and certified self-insured employers and certified self-insured employer groups totally \$368,350.00.

There will also be a first year ongoing support cost allocated to those same carriers, which totals \$458,850.00.

There will also be subsequent ongoing support costs, which will be allocated to each insurance carrier, including certified self-insured employers and certified self-insured employer groups, based on a percentage of the fiscal year 2021 accepted claim EDI transaction volume.

Verisk will bill for future ongoing support costs based on the previous years accepted EDI transaction volume, plus an additional 3% annually. Verisk is available to discuss an individual insurance carrier's estimated amount of future year ongoing support costs.

All insurance carriers or insurance carrier groups must register their billing contact information with Verisk as soon as possible. The DWC-121 provides billing contact information.

If you should have any questions, please contact James Sheffield by telephone at (512) 435-2169 or email jrs@fol.com.