

REASSOCIATION – MAKING IT HAPPEN!

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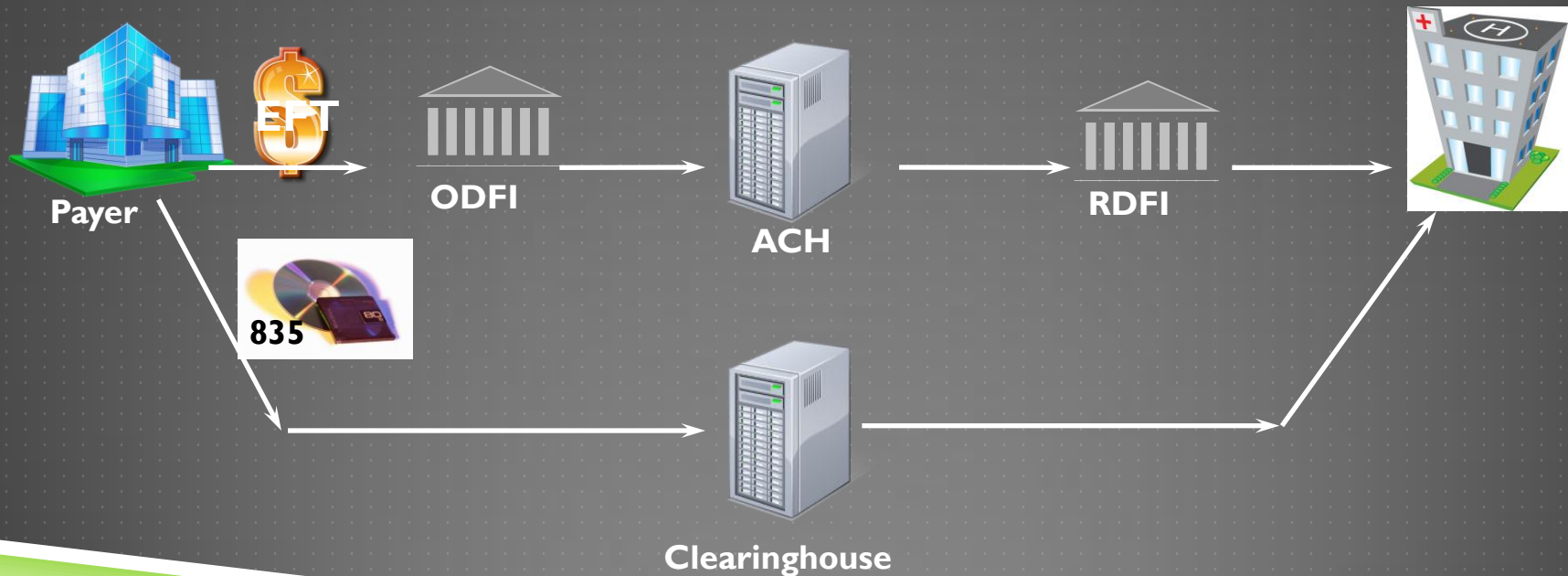


EFT STANDARDS

- ▶ The EFT Standards Rule makes the EFT transaction a HIPAA transaction.
 - Providers can request EFT via the ACH network and the Health Plans must offer it
 - EFT mandated as of 01/01/2014
 - ERA standard mandated since 2003



ERA / EFT TRANSACTION FLOW



WHAT IS REASSOCIATION?

- Reassociation is the process of matching an Electronic Remittance Advice (ERA) in the X12 835 format to the associated Electronic Funds Transfer (EFT).
- The 835 may have traveled through a clearinghouse, a bank, or via direct transmission from the payer to the provider.
- The HIPAA-Standard EFT always travels through the banking system (ACH Network).
- Files may arrive at different times or on different days

WHAT INFORMATION IS NEEDED TO REASSOCIATE?

- ▶ Provider Identifier – TIN or NPI
- ▶ Payer Identifier
- ▶ Effective Entry Date
- ▶ Payment Amount
- ▶ EFT Trace Number / Check Number / Other unique ID

WHAT INFORMATION IS NEEDED TO REASSOCIATE?

CCD+ Reassociation Data Elements			835 data Elements		
CCD+ Record #	Field #	Field Name	Segment	Element	Element Name
6	7	Identification Number	REF	02	1000B Loop TJ Reference Identification (TIN)
5	9	Effective Entry Date	BPR	16	Date (<i>EFT Effective Date</i>)
6	6	Amount	BPR	02	Monetary Amount (<i>Total Actual Provider Payment Amount</i>)
7	3	Payment Related Information	TRN	01	Trace Type Code
			TRN	02	Reference Identification (<i>EFT Trace Number</i>)
			TRN	03	Originating Company Identifier (<i>Payer Identifier</i>)
			TRN	04	Reference Identification (<i>Originating Company Supplemental Code</i>)

PROVIDERS HAVE CHALLENGES WITH REASSOCIATION

- ERA and EFT files arrive at the provider's site at different times
 - files must be retained indefinitely until it is determined that a match can be made, or sufficient time has elapsed to make the determination that an issue has occurred.
- ERA or EFT files may not contain the data elements necessary to perform reassociation
- Researching these exceptions requires manual intervention by both the payer and provider to determine the disposition of the missing data, either ERA or EFT.

HOW DO THE CAQH CORE OPERATING RULES HELP?

- CAQH CORE Rule 370 establishes minimum required data that must be present in the CCD+ file
 - Including a copy of the TRN segment from the 835
 - The CCD+ Effective Entry Date must be a valid banking day and the corresponding v5010 X12 835 BPR16 date must be the same valid banking day.
- The health plan must notify the provider during the enrollment process that it must request delivery of the reassociation data from its financial institution

ADDITIONAL OPERATING RULE REQUIREMENTS

- The health plan must release the 835 three days before or after the Effective Entry Date in the EFT
 - Requirements are focused on when the files are released by the health plan
 - must take into account timing required by any business associates that the health plan has contracted with to produce EFT and/or ERA files
- The health plan must have written procedures for the provider to use for researching and resolving a late or missing EFT or ERA file
 - Procedures must be delivered to the provider during the enrollment process

HOW CAN THE PMS VENDORS HELP?

- ▶ Automate the provider's reassociation process!

REASSOCIATING AN ERA TO AN EFT

- ▶ Funds will be available in the provider's financial institution account on the Effective Entry Date in the EFT file
- ▶ ERA will be received within 3 days (+/-) of the Effective Entry Date of the EFT
- ▶ Payment Related Information will be received from the financial institution
 - Vendor should work with the financial institution to receive the Payment Related Information electronically
 - PMS system should track all EFT payments received (along with the associated Payment Related Information) and ERAs received, and automatically do the comparison to determine a match.
 - Provider must be able to manually release items that have paper check or RA

REASSOCIATING AN ERA TO AN EFT

- ▶ compare the Effective Entry Date in the EFT file to the BPR16 in the 835
- ▶ compare the payment amount from the EFT to the BPR02 in the 835
- ▶ the Payment Related Information is used for comparison
 - The information starting at the 4th character in this record can be used to match directly to the TRN segment in the 835
 - if the health plan uses an element delimiter other than “*”, then additional work will have to be done to compare the information element by element rather than comparing the entire segment
- ▶ Once the correct match is made, the posting process for the ERA can be completed

WHAT CAN GO WRONG?

- ▶ Comparing the TRN segment in the EFT and ERA
 - Must be compared element by element
 - ▶ Delimiters may be different
 - ▶ TRN02 should always match exactly
 - ▶ TRN03 may differ because the 835 requires a “I” then the TIN, which is not required by NACHA
 - ▶ TRN04 may be truncated due to length limitations in the EFT or use of BPR I I
- ▶ Payers are required to include the Addenda record in the EFT, but some do not
 - Must include the TRN from the associated 835

WHAT CAN GO WRONG?

- ▶ The financial institution must provide the reassociation information
 - Banks are required to deliver when asked
 - Information can be provided electronically in a standard format
- ▶ Terminology may be a challenge-banks may not understand healthcare terms
 - Payment-Related Information
 - CORE-Required Minimum CCD+ Data Required for Reassociation
 - ACH Payment-Related Information
 - Addenda Record Information
 - Refer to *NACHA Operating Rules* subsection 3.1.5.3

WHAT CAN GO WRONG?

▶ Timing of release of files

- CAQH CORE Rule 370 defines timing of delivery of ERA & EFT files
 - ▶ Rule is focused on when files are RELEASED by the Health Plan, not received by the Provider
- Payers must account for time for Third Party Processors creating files to ensure CORE Rule 370 requirements are met
- Payers should ensure delivery timing and “business days” are clear in enrollment instructions to avoid calls
- Providers must communicate with all trading partners to understand their impact to delivery of files
 - ▶ e.g., clearinghouse processing time, multiple “hops”



PMS PROCESSING

The PMS should

- ▶ Receive both an ERA and EFT
- ▶ Automatically reassociate them so the provider knows it has received the funds as well as the remittance prior to posting.
- ▶ Auto-post the remittance information and appropriately update the patient accounts.
- ▶ Utilize the adjustment information in the ERA to manage workflow within the provider's office, including secondary billing, denial management and claim resubmission.
- ▶ Easily manage Provider Level Adjustments without requiring manual intervention.



RESOURCES

Reassociating Healthcare Payments White Paper



The Reassociation Process for Healthcare Payments and the Impact to Providers and Health Plans

Original Date – December 6, 2013
Revised Date – December 9, 2014



Electronic Remittance Advice and Fund Transfers White Paper

Barriers to Adoption of the ERA and EFT Transactions

September 15, 2017

WWW.WEDI.ORG/KNOWLEDGE-CENTER



RESOURCES

Committee on Operating Rules for Information Exchange (CORE[®])

Phase III CORE 370 EFT & ERA Reassociation (CCD+/835) Rule

WWW.CAQH.ORG/CORE/OPERATING-RULES



CMS FAQs

- ▶ CMS has published a series of FAQs
 - ▶ Virtual Card payments (FAQ22285, FAQ22281)
 - ▶ Fees for EFT (FAQ22297, FAQ22385)

QUESTIONS?



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