



What's new in Version 8020 X12 Implementation Guides

Payee Tax Identification Information in the 835 transaction set

The 008020x322 Healthcare Claim Payment / Advice (835) transaction conveys financial details about payment of healthcare claims for the provider. Details about the payee are included in the transaction, and identifying about the payee is important to ensure accurate understanding about the recipient of the payment. In prior versions, the Tax Identification number (TIN) was not always included in the transaction. It was dependent upon whether an NPI was available and included in the file, and whether the sender felt the additional identification was necessary for the payee.

The 008020x322 Healthcare Claim Payment / Advice (835) transaction includes a new required REF segment that provides the Tax Identification information for the payee.

What's New

- 1000B Loop REF – Payee Tax Identification
 - This segment is required and reports the TIN for the Payee
- REF01 – Reference Identification will always be TJ – Federal Taxpayer's Identification Number
- REF02 – Payee Tax Identification Number is required.
- If the payee does not have an NPI, then the N1 segment in the 1000B loop will only contain the Payee Name.

How can this benefit you?

- Providers will now have the TIN associated with the payment in every transaction. This can assist with reassociation, since the TIN is included in the NACHA ACH file (EFT payment) as well.
- Improved ability to auto-post the 835 transaction to the accounts receivable system
- Incentivized 835 adoption

How can this impact you?

Payer and Business Associates business processes

- Update the post-adjudication system to report the new REF – Payee Tax Identification segment in the 835 transaction
- Internal testing and trading partner testing
- Internal education e.g., EDI and help desk
- External education to providers via companion guides or bulletins

Practice Management System (PMS)

- Update revenue cycle / reassociation software to incorporate receiving and utilizing the Payee Tax ID in the new REF segment
- Update remits viewer tool to report all information regarding Payee Tax ID
- Internal testing
- Internal education e.g., client facing staff
- External education to customers



Provider Business Processes

- Update procedures for reassociating the 835 transaction to the ACH EFT transaction to include the Payee Tax ID
- Review and update reports as needed
- Internal education

Clearinghouse

- Update system to allow files that include the new REF segment for Payee Tax ID
- Update Processes / systems to use the new REF – Payee Tax Identification segment as needed
- Update remit viewer tool to report all information including Payee Tax ID
- Internal testing and trading partner testing
- Internal education e.g., EDI and help desk
- External education with trading partners and business associates

Refer to X12's 008020X322 Health Care Claim Payment / Advice 835 for additional information on the Payee Tax Identification in the 835.