



The Theory of Everything Reassociation

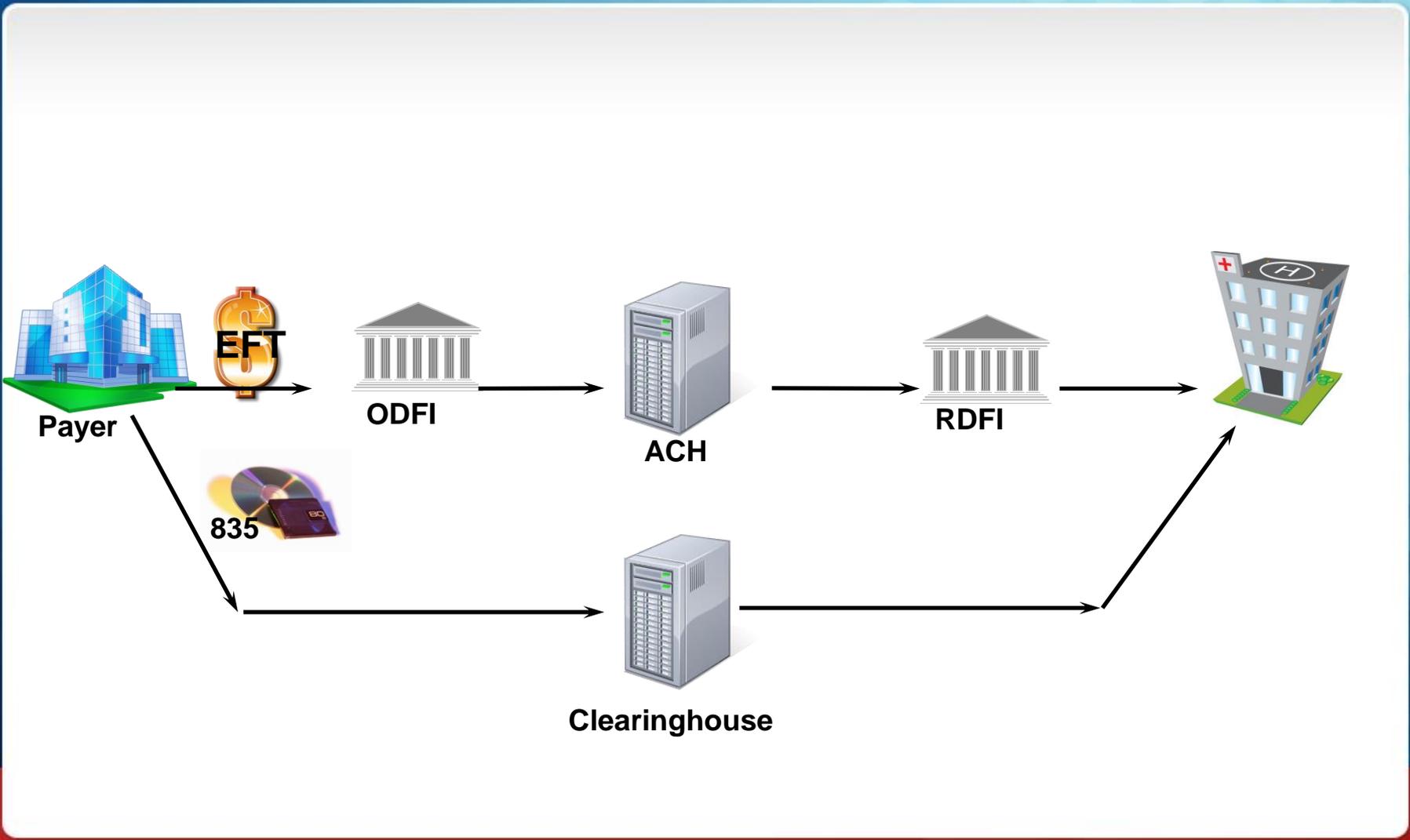
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How does the EFT Standards Final Rule impact you?



- 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 ASC 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

Issues with Reassociation



- Because the 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.

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>) |

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

The Effective Entry Date



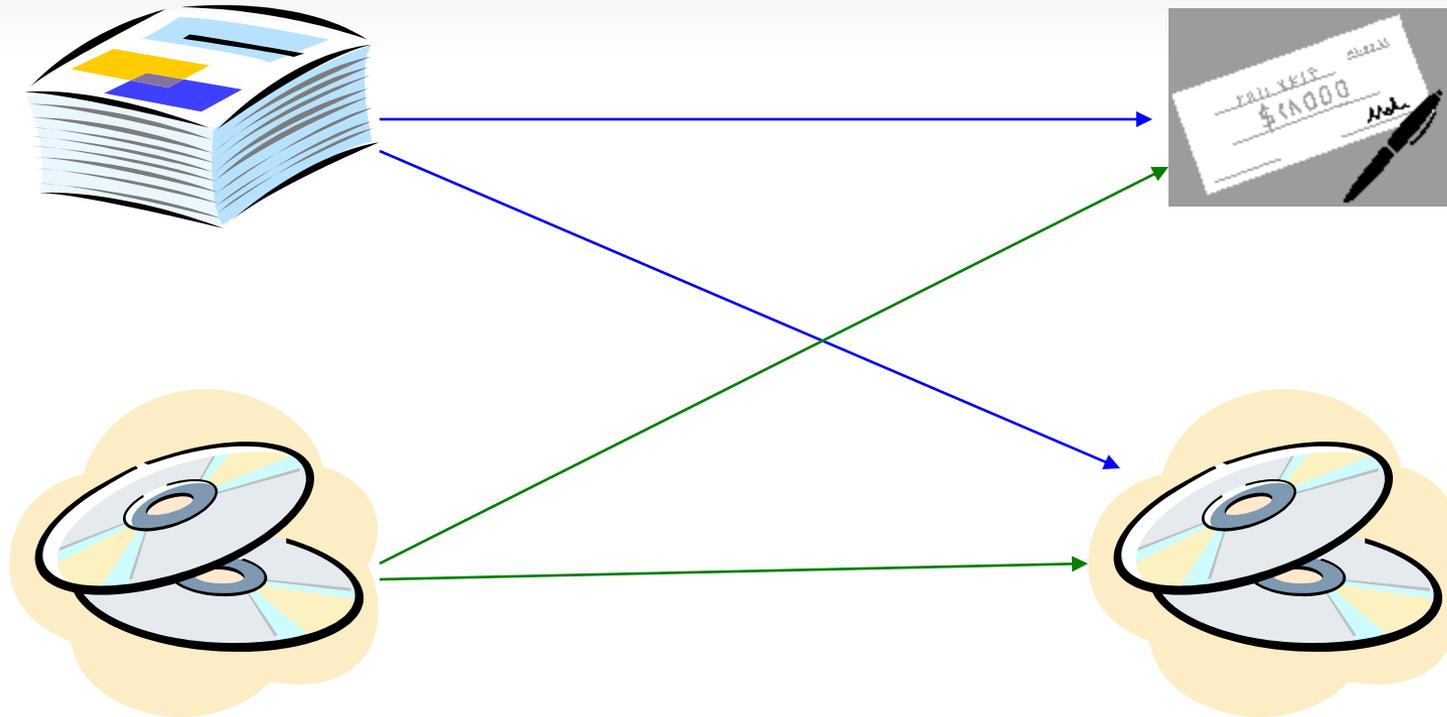
- The Health Plan must assign the Effective Entry Date that appears in both the CCD+ (EFT) and the ERA (835) file, and these dates must be the same date.
 - The Effective Entry Date is assigned based upon the payment cycle of the Health Plan and the date upon which the funds will become available to the Provider.
- When the EFT file goes through the ACH Network, the ACH Operator will read the Effective Entry Date and settle according to that date.
 - If the ACH Operator is not able to settle on the Effective Entry Date due to a stale date (in the past) or non-banking day, the ACH Operator will insert the next banking day into the Effective Entry Date field reflecting that settlement will occur on that date
 - notifies the ODFI via an indicator in the advice returned by the operator
 - Health Plan may be notified of the change via an 824 or other notification, or may receive no notification, based on arrangements that have been made with their bank (ODFI).
 - The RDFI is then responsible for posting entries and providing funds availability on the settlement date.

What if the Effective Entry Date gets changed?



- The ACH Operator will correct the date to a valid banking day if it is incorrect
- If a Business Associate is used in releasing EFT or 835, there may be issues that cause dates to be different
 - this may cause the Effective Entry Date in the EFT and ERA to vary and therefore impact reassociation.
- If the 835 corresponding to that EFT had already been released by the Health Plan, then the Health Plan would be unable to correct the Effective Entry Date within the 835 to correspond to the EFT,
 - The Effective Entry Date of the 835 would not match the date in the EFT
 - The Provider may be unable to reassociate the files.

Payment and Remittance can be either paper or electronic



Reassociating a Paper RA to a Paper Check

- generally arrive at the provider in the same physical package in the mail, with the check attached to the front of the EOB (comes already reassociated)
- all processing must be done manually
 - A person must physically go to the financial institution to deposit the check.
 - Resources are required to key the remittance information into the accounts receivable system to update all accounts with the payment information

Matching Paper EOB to EFT



Reassociating a Paper RA to an EFT

- Funds will be available in the provider's financial institution account on the Effective Entry Date in the EFT file
 - available prior to receipt of the paper EOB because of the delay due to mail
- Payment Related Information will be received from the financial institution via paper statement, electronic file, or web portal, should be stored in a Tracking Tool

Matching Paper EOB to EFT



Reassociating a Paper RA to an EFT (continued)

- Compare the Payment Related Information to the paper RA to determine which payment matches to this RA
 - The Payment Related Information will contain an identifier that is available on the paper EOB, e.g. an RA Number, that can be matched
 - The Effective Entry Date in the EFT should match to the RA date on the paper
 - the payment amount in the EFT should match to the total payment amount reflected on the RA
 - » Once the correct match is made, resources can begin keying the remittance information into the accounts receivable system

Matching an ERA to a paper check



Reassociating an ERA to a Paper Check

- ERA will be received prior to the check due to delay with mail delivery
- the ERA should not be posted until the check is received
 - Need to validate that the two balance (contain the same payment amount)
 - Need to confirm that the funds are actually received before accounts are updated

Matching an ERA to a paper check



Reassociating an ERA to a Paper Check (continued)

- Information from the paper check is used to compare to the ERAs being held to determine which ERA matches to the specific check
 - paper check number is compared to the TRN02 in the 835
 - check date is compared to the BPR16
 - payment amount should match to the BPR02
 - should be recorded from the paper check before depositing into the financial institution
- Once the correct match is made, the ERA posting process can be completed

Reassociating electronic files



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 via paper statement, electronic file, or web portal, should be stored in a Tracking Tool
 - Software tools are available to track all EFT payments received (along with the associated Payment Related Information) and ERAs received, and automatically do the comparison to determine a match.

Reassociating an ERA to an EFT(continued)

- 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

Best Practices for Reassociation



- Request ERA and EFT from your health plan
 - May require enrollments
- Contact your bank for access to EFT details...
- Have access to the ERA reassociation data
- Have access to CCD+ addenda record from the EFT
- Wait to post the ERA until the money is in the bank
- Tracking tool: Keep track of the EFT/Check numbers
 - single document
 - overall management of the list
- Automate

After Reassociation



Now what...

Post ERA (if it was held until \$\$ received)

Work through missing items with Health Plan

May require working with other partners like clearinghouses or banks

Update tracking tool as appropriate

Ongoing processes for COB and denials

And ... spend your money

WEDI 835 Subworkgroup



- Just completed:
 - Survey on EFT / ERA Operating Rules Implementation Results
 - Paper on OverPayment Recovery
- Conference Calls
 - 2nd and 4th Wednesday of each month
 - 2:00 PM ET
- Listserv - wedi-835@lists.wedi.org
- We welcome your input!

- Just completed:
 - Paper on the Reassociation Process
 - Survey on EFT / ERA Operating Rules Implementation Results
 - Paper on the NACHA Operating Rules healthcare updates and the impact to Payers and Providers
 - Paper on Enrollment Operating Rules from both Payer and Provider perspective
 - Paper on EFT process for providers and payers
- Conference Calls
 - 1st and 3rd Monday of each month
 - 11:00 AM ET
 - 1-605-475-5950 Attendee PIN: 9400503
- Listserv - wedi-eft@lists.wedi.org
- We welcome your input!

Questions?

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