

LABOR BYTES

 Blue Cross BlueShield
of Illinois

*A Newsletter for Labor Technical Staff from
Blue Cross and Blue Shield of Illinois
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Fund to Pay Claims and the 835 Electronic Remittance Advice

Introduction

Effective October 16, 2003, new regulations associated with federal HIPAA legislation will require that health care carriers accommodate a number of electronic transaction sets in order to facilitate electronic commerce. With respect to claims processing, carriers must be in a position to accept the 837 electronic claims transaction from providers for claims filing purposes, and provide an 835 electronic remittance advice to the provider to explain the claim payment. In most instances, Blue Cross and Blue Shield of Illinois (BCBSIL) is already in a position to handle these electronic transaction sets for their interfaces with providers on behalf of Labor Funds. The one exception in the current process involves "Fund to Pay" claims.

Funds may receive "Fund to Pay" claims for two reasons:

- ◆ Claims submitted by non-contracting providers.
- ◆ Claims incurred with providers outside of the state of Illinois for accounts that currently do not participate in the BlueCard® program.

In today's processing environment, BCBSIL may accept an 837 transaction from the provider when a "Fund to Pay" claim is submitted, but cannot provide an 835 electronic remittance advice in return as payment on these claims is handled directly by the Labor Funds. With changes scheduled to be implemented into production this fall, BCBSIL will be in a position to provide the 835 electronic remittance advice to providers on behalf of Labor Funds while still allowing the Fund to continue the current process of making the payments directly.

Logic and Processing Changes

In order to facilitate this new process, two changes are being made to the BCBSIL Transmission File layout and one change is being made to the BCBSIL Disposition File (DF) layout.

- ◆ The addition of an "835" indicator to the Transmission File record will show whether or not an 835 electronic remittance advice needs to be returned to the provider. This field may be found in position 229 of the Transmission File, and will be populated with a "Y" (yes) or "N" (no). This field is being passed for informational purposes only.

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- ◆ In addition, BCBSIL will begin to populate the origin code field (position 673) with a value of "H." When received in conjunction with a payee code value of "1," this value will indicate the need to return an "informational" Disposition Record to BCBSIL on claim payments made to Fund members.
- ◆ Finally, Funds will need to make sure that they return a Record Type of "3" on the informational Disposition Record. This is an additional value to an existing field (position 94). The informational Disposition Record lets BCBSIL know the amount of the payment being issued to the member so that it can be communicated to the provider on the 835.

Payee Code "1" (Fund to Pay Claims)

The following programming logic and procedural changes will need to be instituted by Funds for original entry claims:

Illinois Process - If the origin code is equal to a value of "H" on any claim transmitted through the Illinois process, Funds must make all payments to the member and send an "informational" Disposition Record to BCBSIL.

BlueCard Process - If the origin code is equal to a value of "H" on any claim transmitted through the BlueCard process, Funds must make all payments to the member and send an "informational" Disposition Status to BCBSIL via the Home Plan Aid (HPA) or ALIM processes.

The following programming logic and procedural changes will need to be instituted by Funds for adjustments:

Additional Pay Adjustments - Funds need not request an adjustment through BCBSIL if they made the payment on the claim out of the Fund office. If, however, the adjustment is initiated by the provider, Funds need to be able to receive an adjustment record from BCBSIL, even if they paid the claim out of their office.

FSS, or Credit, Adjustments - Again, Funds need not request an adjustment through BCBSIL if they made the payment on the claim out of the Fund office. They should request the credit from their member. If, however, BCBSIL receives a credit from a provider, they will forward a manual check to the Fund.

Payee Code "0" (BCBSIL to pay claims)

Regardless of whether or not the Origin Code is an "H," Funds should process the original claim, as well as any adjustments, as they have always processed them.

Claim Rejects

Please note that claims with an origin code of "H" can't be denied as "handle direct" by the fund. Below is a list of ineligible reason codes that cannot be used on claims transmitted in local files:

- | | | |
|-------|-------|-------|
| ◆ H11 | ◆ H12 | ◆ H13 |
| ◆ H32 | ◆ H17 | ◆ 211 |

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If these codes are used, the claim will reject with a new Reject Reason Code: "RC054 - Handle direct is not valid when 835 is required."

The same applies to BlueCard claims. Below is a list of DF message codes that cannot be used in the BlueCard process for claims with an origin code of "H":

- ◆ 1058
- ◆ 1059
- ◆ 1060
- ◆ 1061
- ◆ 1080
- ◆ 1087
- ◆ 1088

If these codes are used, a valid DF will not be created.

Also, BCBSIL will be modifying the existing Reject Code: "RC010." This code will now read, "Member payment not allowed or Fund returned a claim with a payee code of '1,' an origin code not equal to 'H,' and an eligible amount greater than \$0."

It is important that you contact your systems vendor so that these new changes may be programmed into your internal claims system as soon as possible. If you are interested in testing these changes or have any questions, please feel free to contact Account Management.



Provider Specialty Code

Beginning May 27, 2003, Blue Cross and Blue Shield of Illinois will send the Provider Specialty Code on all Professional claims. Until now, the Provider Type was included on the transmission record, but not the Provider Specialty Code. This code is used to further describe the Provider Type and should be helpful to Funds' claims processing. The Provider Specialty Code is 3 bytes long and will be populated in the ETR3 layout at claim level in position 1138.

Funds will find a copy of the Provider Specialty Code list in their Code Reference Manual. Marketing Support will also be mailing updated lists soon.

Contact your Account Management Representative with any questions.



EMCnet File Changes

Two changes have been made recently to EMCnet:

1. Originally, Funds had to send their disposition files by 4:00 p.m. Central time if they were to post to the BCBSIL system on the next business day. In an effort to allow Funds more time to send their disposition files, the cut off time has been extended to 10:00 p.m. Central time, effective July 21, 2003.
2. Funds have been receiving LTFmmddi* (IL Labor Transmission File) and LBFmmddi* (BlueCard Labor Transmission File) files on a daily basis even if they do not contain any claims. To enhance the current file transmission process, Funds will now only receive a LTFmmddi or LBFmmddi file if they contain claims.

* mm = 2-digit month, dd = 2-digit day, i = 1-digit increment number



E-mails Containing Protected Health Information ("PHI")

As a result of HIPAA legislation, Blue Cross and Blue Shield of Illinois will be taking all necessary steps to secure Protected Health Information ("PHI"). Beginning April 14, 2003, BCBSIL will send all outgoing e-mail messages containing PHI through a secure Web site.

Whenever BCBSIL sends an outgoing e-mail containing PHI, the subject line will begin with **PHI** followed by the subject title. This e-mail message will be diverted to a secure Web site and a special e-mail notification will be sent automatically to the recipient. This message will direct you to the secure Web site where the original e-mail can be retrieved. Please note that the first time you access this Web site, you will be required to register a user name and a password.

If you have technical questions regarding this notification, need help logging in to the secure Web site, or have forgotten your password, please contact the BCBSIL Help Desk at (877) 989-6675.



New ITS Release: 8.7

ITS is pleased to announce release of the new software update for BlueCard accounts, scheduled for mid-October 2003. The 8.7 ITS release will require copybook/screen changes, unlike the previous release (8.6).

Although Labor accounts do not currently process OPL/Medicare claims through BCBSIL, the 8.7 enhancements will allow Medicare payment information to be passed in new transmission record (SF) and disposition record (DF) data elements at the claim level. Consequently, new fields will be added to the automated interface areas and the Home Plan Aid (HPA) screens to support processing of Medicare secondary payments. Funds will most likely have already obtained Medicare payment information by the time of the BlueCard claim receipt. An expanded override function in HPA will be included in the 8.7 release to support processing of Medicare claims.

More details and instructions will be available from your Account Management team as the October implementation date approaches.



New Vision/Dental Claims Procedure for BlueCard

Effective July 1, 2003, the Blue Cross and Blue Shield Association will require Blue Cross and Blue Shield of Illinois to send all BlueCard vision and dental claims to Labor Funds. Since these benefits are often carved out, Funds should deny them back to BCBSIL and either pay them through the Fund office or the appropriate vendor. Use DF Message Code 1079, which reads "This line of business is processed by a vendor. Handle direct with vendor."

If you have questions or concerns about this new procedure, contact your Account Management Representative.



U600 SF Message Code Enhancement

Blue Cross and Blue Shield of Illinois recently implemented new logic to automate the way potential fraudulent BlueCard claim information is sent to Funds.

Previously, BCBSIL's Full Service Unit (FSU) sent paper transmittal forms to Funds giving them information on claims that were reviewed for suspected fraud. In most cases, they will now be able to communicate this information electronically to Funds in the Transmission File.

The following explains the new procedure:

If the SF Message Code U600 is passed from the Host Blue Cross and Blue Shield plan, the BCBSIL operator will forward the claim to the Special Investigation Unit (SIU) for a payment determination. Once a payment determination has been made, the BCBSIL FSU will populate the ETR3-INFORMATIONAL-NOTES field (29 bytes long starting in position 744) with payment instructions. There are three possible payment instruction scenarios for a U600 claim.

1. The SIU has determined that the claim **IS** eligible for payment. The FSU will insert SF Message Code "U601" in the Informational Notes field along with any relevant notes (e.g., U601 OK TO PAY). Funds may process the claim according to their benefit structure.
2. The SIU has determined that the claim is **NOT** eligible for payment. The FSU will insert the appropriate DF Message Code in the Informational Notes field along with any relevant notes (e.g., 1054 LINE 1 NOT PAYABLE). BCBSIL strongly recommends that funds deny these claims.

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DF Message Codes used by the FSU are:

SIU Response	Assoc. DF Mess. Code	DF Message Code Description
Deny, service has been previously paid	0189	Duplicate claim previously processed
This charge has been paid in full on this claim	0189	This charge is a duplicate of a previously processed claim
Deny, service provided by a non-licensed provider	0347	Services do not fall within scope of provider license
Deny, medical records are being requested by the Host Plan	0514	Claim closed until requested info received from provider
Deny, Services are not covered by contract for this type of provider	0999	Condition not covered for this provider type
Deny, should have been included in global fee	1053	Reimbursement for this service is considered to be a portion of another service, which has been allowed. Therefore, no payment can be made for this service.
Deny, included in allowance for other service performed on the same day	1054	Payment for this procedure is included in our payment for other services performed on the same day by the same provider.
Deny, included in allowance for other service performed	1054	Payment for this procedure is included in our payment for other services performed on the same day by the same provider.
Deny, this provider is not eligible	1055	This provider is not eligible

3. The SIU has determined that this claim is **NOT** eligible for payment, however, the FSU must send a paper transmittal form to the Fund due to insufficient space for a full explanation in the Informational Notes field. The FSU will populate the Informational Notes field with instructions to let the Fund know that a paper transmittal form has been sent (e.g., TRAN SEE TRANS FAXED 4/3/03). BCBSIL strongly recommends that funds deny these claims.

Since BCBSIL already sends information to Funds in the Informational Notes field, further programming will not be necessary.


Feel free to contact your Account Manager with any questions.



4 Digit Revenue Codes

Beginning in September, Blue Cross and Blue Shield of Illinois will begin passing 4 digit Revenue Codes to Labor Funds. This internal change is due to a modification in the national coding structure for institutional claims as defined by the National Uniform Billing Committee. There will be no programming changes for Funds since Revenue Codes are sent in the Procedure Code Field on the Transmission Layout, which is 6 bytes long. Funds should be aware that these new codes can appear on both Illinois claims as well as BlueCard claims.

Should you have any questions, please contact your Account Management representative.



Labor Day Weekend Systems Availability

Please be aware that over the Labor Day weekend, BCBSIL will implement an internal systems conversion. This means that the BCBSIL mainframe will become unavailable starting on Friday, August 29 at 4:00 p.m. Central time and will become available again the morning of Tuesday, September 2. Funds will not have access to IMNU, LCSL, Home Plan Aid (HPA) or ALIM. EMCnet will, however, be available to download and/or transmit files, but the mainframe will not process these files until the evening of Tuesday, September 2.

Contact your Marketing Support staff with any questions.



REMINDER



2003 Systems Availability Reminder

During Blue Cross and Blue Shield of Illinois holidays, there is no access to the mainframe for Home Plan Aid, Line Item Link, LCSL and IMNU. The Help Desk is also unavailable for technical support. EMCnet is available to download and/or transmit files however, disposition files sent after 10:00 p.m. on the day prior to the holiday will not be processed until the first business day following the holiday. Also, as a general rule, Funds should contact their Marketing Support Representative if they plan to work on Saturday. BCBSIL frequently performs file conversions and production moves on weekends, which may affect system availability.

Remaining 2003 Blue Cross and Blue Shield of Illinois holidays:

- ◆ Labor Day - Monday, September 1st
- ◆ Thanksgiving Day - Thursday, November 27th
- ◆ Day after Thanksgiving - Friday, November 28th
- ◆ Christmas Eve - Wednesday, December 24th
- ◆ Christmas Day - Thursday, December 25th

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