

Section 4:
Business/Technical Process Rules

02 CHANGE PROCESSING RULES

MTC 02 Change is used by the Claim Administrator to report when a data element, identified on the jurisdiction's Element Requirement Table, has been Added, Updated or Removed, or the variable segment has been Deleted. The Change Reason Code (DN0413) values of A (Add), U (Update), R (Remove) or D (Delete) will hereafter be referred to as a "change". When the Claim Administrator identifies a change of a data element/segment described on the Element Requirement Table, a FROI or SROI 02 Change shall be transmitted. An 02 Change transaction shall not be used to report a change in a data element where other MTC's are specifically intended for that purpose. For example, an update to Net Weekly Amount (DN0087) would be sent on a CA (Change in Benefit Amount) rather than an 02. Refer to definitions in the Data Dictionary in Section 6 for Maintenance Type Codes including but not limited to CA (Change in Benefit Amount), CB (Change in Benefit Type).

Identifying Changes

A change is recognized and initiated by the Claim Administrator when a data element identified on the jurisdiction's Element Requirement Table has been altered in the Claim Administrator's database. Jurisdictions shall indicate in the Element Requirement Table if they do or do not expect an 02 Change when the specific data element is Added, Updated or Removed, or the variable segment is Deleted. Claim Administrators will then communicate the changes via the Change Variable Segment consisting of Change Data Element/Segment Number (DN0412) and Change Reason Code (DN0413). Refer to the Data Dictionary in Section 6.

A Claim Administrator can only recognize changes in their own system, therefore there may be an inconsistency between the Claim Administrator's identified Change Reason Code (DN0413) and the Change Reason Code expected by the Jurisdiction. Jurisdictions should be aware of this limitation and shall not reject a transaction simply because the Change Reason Code wasn't the expected type (provided the Jurisdiction allows a change for that Change Reason Code on the Element Requirement Table). This is a particular concern for acquired claims where data may not have been communicated to the new Claim Administrator; however, the Jurisdiction may have that data in their database.

When a Jurisdiction allows both an Add and an Update the Jurisdiction shall edit and process Adds and Updates interchangeably when:

- a. A data element is not in a Variable Segment (see DP rule for DN0413)
- b. A data element is in the narrative segments (see DP rule for DN0413)
- c. A claim is acquired by a new Claim Administrator (an MTC AQ or AU was received by the current Claim Administrator FEIN)

Examples for Acquired Claims when both an Add and Update are allowed:

- i. Change Reason Code may be reported by the Claim Administrator as an Add when the new Claim Administrator adds data elements 'not provided by the prior Claim Administrator' into their claim system. The jurisdiction already has this data element with the SAME value in their database from the prior Claim Administrator and may not expect an 02-Change Report at all. In this case, the jurisdiction shall allow the 02 Change as an Add.
- ii. Change Reason Code may be reported by the Claim Administrator as an Add when the new Claim Administrator adds data elements 'not provided by the prior Claim Administrator' into their claim system. The jurisdiction already has this data element but with a DIFFERENT value in their database and may expect an Update however they shall allow the 02 change with an Add.

A Jurisdiction should follow the below guidelines when determining if the Change Segment is valid.

1. The 02 transaction should be Accepted when:

- a. Change Reason Code is not the expected code however, both are accepted codes (Add vs Update) and a recognizable change has been detected by the Jurisdiction.
Example: Jurisdiction allows an Add and an Update for DN0040 Date Employer Had Knowledge of Injury. The Claim Administrator sends an Add however; the Jurisdiction has a different value on file.

- b. a valid Change Reason Code is sent for a DN but no recognizable change is detected as long as another valid change exists in the segment
Example: Claim Administrator sends an Update for DN0040 Date Employer Had Knowledge of Injury and an Update for DN0031 Date of Injury, which are both allowed codes for the DNs. The jurisdiction does not identify that DN0031 has changed but does identify that DN0040 has changed.

2. The 02 transaction may be Rejected when:

- a. a Change Reason Code that is not allowed for the DN is sent
Example: Jurisdiction only allows an Update (No Add or Remove) for DN0040 Date Employer Had Knowledge of Injury however, the Claim Administrator sends an Add for the DN.
- b. a valid Change Reason Code is sent for a DN but no recognizable change is detected AND there are no other valid changes in the segment
Example: Claim Administrator sends an Update for DN0040 Date Employer Had Knowledge of Injury and DN0031 Date of Injury, which are both allowed codes for these DNs. The Jurisdiction does not identify a change.
- c. a valid Change Reason Code is sent for a DN but does not pass validity edits and no other change exists
Example: Claim Administrator sends an Update for DN0040 Date Employer Had Knowledge of Injury, which is an allowed code for the DN. The Jurisdiction edits the transaction and finds that DN0040 is earlier than DN0031 Date of Injury so the claim does not pass the edits.
- d. a valid Change Reason Code is sent for a DN but does not pass validity edits even when other valid change(s) exist
Example: Claim Administrator sends an Update for DN0040 Date Employer Had Knowledge of Injury and DN0041 Date Claim Administrator Had Knowledge of Injury, which are both allowed codes for these DNs. The Jurisdiction edits the transaction and finds that DN0040 is earlier than DN0031 Date of Injury so the claim does not pass the edits.

Communicating and Understanding the Element Requirement Table for 02 Changes

Using the Element Requirement Table's 02 Requirement Code Column, a jurisdiction will communicate the requirements for each data element. See the Element Requirement Table for further information.

Using the Element Requirement Table's Reportable Change columns (Add, Delete, and Remove) for the MTC 02, a jurisdiction will communicate what data elements it shall require on an 02 Change, under what conditions an 02 shall be generated, or what data element changes shall not generate an 02. Reportable Change Codes can vary for each type of Change Reason Code (Add, Update, Remove, or Delete). It is the Claim Administrator's responsibility to generate an 02 Change and the corresponding Change Variable Segment, based on these requirements.

Code B = Restricted. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, this Change Reason Code is not applicable to the Data Element. A jurisdiction shall not replace the B code with another Reportable Change Code.

Code Y = Required Change. This code only applies to Data Elements not contained on both the FROI and SROI. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator shall generate an MTC 02 Change and indicate the Data Element in the Change Variable Segment.

Code YG = Required Change with Exception. This code only applies to Data Elements not contained on both the FROI and SROI. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator shall generate an MTC 02 Change if the exception is met and indicate the Data Element in the Change Variable Segment. (See Code Usage Limitations below)

Code N = No Change. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator shall not generate an MTC 02 Change, nor indicate the Data Element in the Change Variable Segment. If the data element with a Reportable Change Code of N is present in the Change Variable Segment the transaction will be rejected.

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Code H = No Change Required. The jurisdiction shall list an H in the Reportable Change Column for Add, Update, Remove, or Delete for data elements where an 02 change is not required but will not reject the transaction if present in the Change Variable Segment. The Claim Administrator shall not generate an MTC 02 Change but may include it in the Change Variable Segment if other reportable data elements are also changing. The Jurisdiction might not update the data in their database.

Code I = Required Change on Either. This code only applies to Data Elements contained on both the FROI and SROI, and the jurisdiction is collecting them on both. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator must send an 02 Change on either the FROI or the SROI but not both if the exception is met. The Jurisdiction will accept a change to the data element on either the FROI or SROI and the Claim Administrator will determine which transaction to send. (See Code Usage Limitations below)

Code IG = Required Change on Either with Exception. This code only applies to Data Elements contained on both the FROI and SROI, and the jurisdiction is collecting them on both. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator must send an 02 Change on either the FROI or the SROI but not both if the exception is met. The Jurisdiction will accept a change to the data element on either the FROI or SROI and the Claim Administrator will determine which transaction to send. (See Code Usage Limitations below)

Code J = Required Change by Transaction Type. This code only applies to Data Elements contained on both the FROI and SROI, and the jurisdiction is collecting them on both. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator shall send an 02 Change on either the SROI only if a SROI has been previously accepted. If no SROI has been previously accepted then a FROI 02 Change is required. (See Code Usage Limitations below)

Exception: Wage (DN0062) is on the FROI and Average Wage (DN0286) is on the SROI. The SROI is considered to be the most recent value and any changes should be reported on the SROI in DN0286 Average Wage when a SROI has been previously filed. Refer to item #11 under Considerations for Requiring a 02 Change.

Code JG = Required Change by Transaction Type with Exception. This code only applies to Data Elements contained on both the FROI and SROI, and the jurisdiction is collecting them on both. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator shall send an 02 Change on either the SROI only if a SROI has been previously accepted. If no SROI has been previously accepted then a FROI 02 Change is required. (See Code Usage Limitations below)

Code K = Required FROI Change. This code only applies to Data Elements contained on both the FROI and SROI, and the jurisdiction is collecting them on both. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator shall send an 02 Change on the FROI regardless of if a SROI has been accepted. (See Code Usage Limitations below).

Code KG = Required FROI Change with Exception. This code only applies to Data Elements contained on both the FROI and SROI, and the jurisdiction is collecting them on both. When indicated in the Reportable Change Column for Add, Update, Remove, or Delete, the Claim Administrator shall send an 02 Change on the FROI regardless of if a SROI has been accepted AND the exception has been met. (See Code Usage Limitations below)

Code Usage Limitations:

Exceptions are defined by the Jurisdiction for codes YG, IG, JG, and KG. Jurisdictions shall limit exceptions to:

- a. When specified Recovery Codes (DN0226) or Other Benefit Type Codes (DN0216) have been Added, Updated, or Deleted per Jurisdictional Requirements.
- b. When a change to financials (Benefit Type Claim Weeks (DN0090), Benefit Type Claim Days (DN0091), Benefit Type Amount Paid (DN0086), Other Benefit Type Amount (DN0215), and Recovery Amount (DN0225) occurs after the last Suspension (SX) or Final (FN), per Jurisdictional Requirements.

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- c. When exceptions apply that require an 02 unless another MTC is reporting the changed data within the required timeframe. Examples include Date of Maximum Medical Improvement (DN0070), Permanent Impairment Percentage (DN0084), or Initial Return to Work Date (DN0068), Latest Return to Work Status Date (DN0072) and related Initial or Latest Return to Work qualifiers.
- d. When exceptions apply that are editable and related to the Add, Update, Remove, or Delete of the particular Data Element. Exceptions shall not be allowed for maximum number of changes, how often a change may be generated, or expectations to hold an identified change until a specified time.

Data Element	Name	Considerations
0006	Insurer FEIN	Change allowed only if the value previously sent was erroneous or under the following conditions: <ul style="list-style-type: none"> Insurer FEIN changes but Claim Administrator FEIN does not (e.g. insolvency handled by the same Claim Administrator, Claim Administrator buys another claim administrator and continues utilizing the claim system, or policy data is updated which impacts the Insurer) Jurisdictions must be able to recognize insurers belonging to the same group. An 02 should report when both Insurer and Claim Administrator change within the same group of insurers. If Insurer FEIN has changed under any other conditions refer to the Acquired Claims Processing Rules elsewhere in Section 4.
0014	Claim Administrator Postal Code	Changes to this data element may be necessary when: <ul style="list-style-type: none"> The Claim Administrator's office has moved, or The previously-sent data value was erroneous. NOTE: Other components of the address may change simultaneously when the office has moved. However, the postal code may be the only change if an incorrect value was initially reported.
0015	Claim Administrator Claim Number (Key Match)	If FROI 02 Change - Must change in both the FROI 148 and R21 companion records for the claim If SROI 02 Change - Must change in both the SROI A49 and R22 companion records for the claim
0187	Claim Administrator FEIN	Change allowed only if the value previously sent was erroneous. If a different entity assumes the responsibility of adjusting the claim an MTC AQ Acquired Claim transaction applies. See Acquired Claims Processing Rules elsewhere in Section 4.

Code values of I, IG, J, JG, K, and KG must be applied consistently across both the FROI and SROI 02 Change for a given data element. If I or IG is applied, J, JG, K, or KG cannot be used for the same data element on either the FROI or SROI 02 Change and vice versa. If an I/IG, J/JG, or K/KG is applied then Y/YG, H, or N cannot be used for the same data element on either the FROI or SROI 02 Change and vice versa.

02 Groups

The IAIABC recognized some logical groups of related data elements that may be applied when editing an 02 transaction. If a jurisdiction chooses to use groupings, they may choose to use one or more of the groups. Groups can be applied to certain Change Reason Codes. Groupings cannot be applied to legacy claims (see Section 4 Legacy Claim Processing).

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A Jurisdiction may not choose to require an 02 for all data elements within a group however to preserve the groupings, should allow all DNs in the group to be present in the Change Variable Segment. If a group contains more than two data elements, Jurisdictions should use Reportable Change Code of H (No Change Required – Will Not Reject If Present) for DNs in a group that are utilized but where a particular DN in the group is not required to trigger an 02 Change. Jurisdictions shall not reject an 02 Change if the DN with the H code is present nor if it is not included in the Change Variable Segment. Note: If a group contains only two data elements and the jurisdiction only wants to apply edits to one data element, the group should not be applied.

Applying Groups

1. When a grouped DN is present in the Change Variable Segment with a Change Reason Code of Add, all other DNs in the group must be present in the Change Variable Segment in addition to being present in the transaction.
2. When a grouped DN is present in the Change Variable Segment with a Change Reason Code of Remove, all other DNs in the group must be present in the Change Variable Segment and not present in the transaction.
3. When a grouped DN is present in the Change Variable Segment with a Change Reason Code of Update, any other DNs in the group that have changed must be in the Change Variable Segment and all DNs in the group must be present in the transaction.

The below tables illustrates the groups that may be used to edit an 02 transaction. Jurisdictions should indicate in their Element Requirement Table which groups will be utilized.

<u>Group</u>	<u>FROI</u>	<u>SROI</u>	
			<u>Grouped DNs</u>
<u>1</u>	<u>X</u>	<u>X</u>	<u>0068 Initial RTW Date, 0403 Initial RTW Type Code, and 0404 Initial RTW Physical Restrictions Indicator</u>
<u>2</u>	<u>X</u>	<u>X</u>	<u>0072 Latest RTW/Status Date, 0406 Latest RTW Type Code, and 0407 Latest RTW Physical Restrictions Indicator</u>
<u>3</u>	<u>X</u>	<u>X</u>	<u>0057 Employee Date of Death and 0146 Death Result of Injury Code</u>
<u>4</u>		<u>X</u>	<u>0256 Wage Effective Date, 0286 Average Wage, and 0063 Wage Period</u> <u>Note: Wage Period Code will be treated as an Add when being reported on a SROI transaction for the first time even if previously reported on a FROI transaction.</u>
<u>5</u>	<u>X</u>		<u>0062 Wage and 0063 Wage Period Code</u>
<u>6</u>	<u>X</u>		<u>0046 Employee Mailing Primary Address, 0048 Employee Mailing City, 0049 Employee Mailing State Code, and 0050 Employee Mailing Postal Code</u>
<u>7</u>	<u>X</u>		<u>0165 Employer Mailing City, 0167 Employer Mailing Postal Code, 0168 Employer Mailing Primary Address, and 0170 Employer Mailing State Code</u>
<u>8</u>	<u>X</u>		<u>0028 Policy Number Identifier, 0029 Policy Number Effective Date, and 0030 Policy Number Expiration Date</u>
<u>9</u>	<u>X</u>		<u>0017 Insured Name and 0314 Insured FEIN</u>
<u>10</u>	<u>X</u>		<u>0033 Accident Site Postal Code and 0123 Accident Site State Code</u>

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When the Jurisdiction is completing their Element RequirementTable, the following conditions for potential match data elements should be considered:

R3.1 Limitations Known to Date

1. A jurisdiction cannot determine the effective date and reason for change(s).
2. The value of some Data Elements will change during the life of a claim and some MTC's will occur more than once. Only changes to the most recently reported values for a Data Element can be expected (e.g. the employee may be off work several times, therefore the Current Date Last Day Worked (DN0145) may be updated over the life of the claim).
3. An entire transaction (MTC) that was sent in error cannot be removed by sending an 02 Change transaction.
4. There are certain Data Elements that shall not be changed on an 02 Change transaction. Refer to the elements prepopulated with a "B" on the Element Requirement table.
5. The 02 Change transaction does not provide a method of indicating which segment occurrence is being changed (other than the MTC 02 in the Benefits segment).
6. For Acquired Claims: Claim Administrators do not know the information reported by the previous Claim Administrator. Jurisdictions should be aware that 02 Changes will be generated based on the data in the new Claim Administrator's system. See Acquired Claims Processing Rules below.
7. Due to complications in determining if a payment segment occurrence belongs to a new or a previously reported event, Payment segment occurrences shall not be Added on an 02 Change. Unreported payments must be reconciled outside of the 02 Change process.
8. The current process for the Reduced Earnings segment does not provide a mechanism to allow a Claim Administrator to make changes to a previously reported Reduced Earnings segment in the event of an error or change. Jurisdictions may not be able to recognize the Reduced Earnings segment that changed in order to overlay it. Claim Administrators may not store all Reduced Earnings segments in order to report them as a change.

Processing Rules

1. Whenever a Data Element on the 02 Reportable Change columns of the Element Requirement Table with a Reportable Change Code of FY, Y, YG, I, IG, J, JG, K, or KG has changed (see Identifying Changes above), the Claim Administrator must trigger an 02 change transaction unless another MTC applies. If a Data Element has a Reportable Change Code of B, N, or H, then an 02 Change must not be required or expected, and the data element may change on the next reportable transaction other than an 02 Change.
2. The Claim Administrator will sweep in the most current data from their claim system into the 02 Change, ~~however Jurisdictions shall edit only those Data Elements identified in the Change Variable Segment and any appropriate cross-edits/requirements, Match Data (refer to the Match Data Rules elsewhere in Section 4), and Data Elements marked as Fatal on the Element Requirement Table. If not identified in the Change Variable Segment, a jurisdiction's cross-edits/requirements shall compare data to their database rather than the transaction.~~ Data Elements identified in the Change Data Element/Segment Number (DN0412) with a Change Reason Code (DN0413) of A (Add) or U (Update) shall be considered Mandatory for that particular 02 Change transaction. The 02 transaction will be edited as follows:

- Data Elements identified in the Change Variable Segment
- 02 Groups (refer to 02 Groups elsewhere in Section 4)
- Match Data (refer to the Match Data Rules elsewhere in Section 4)
- Data Elements marked as Fatal on the Element Requirement Table

In addition, the Jurisdiction may indicate in their Edit Matrix either of the editing methods below:

- a. All DN's present on the MTC 02 Change may be edited for validity (Element Requirement Table Requirement Code AR) but not edited for presence (error message number 001)
 - o Example: Date of Hire is present on the transaction but not in the Change Variable Segment. Date of Hire is not a valid date format and will be rejected (TR).
- b. If not identified in the Change Variable Segment, a jurisdiction's cross edits/requirements shall compare data to their database rather than the transaction with the exception of 02 groups.
 - o Example: The Change Variable Segment includes Date of Hire. When compared to the data in the database the Date of Hire was prior to the Date of Birth and will be rejected (TR).

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3. Depending on the edit method chosen in the Edit Matrix, the data will be accepted and loaded to the Jurisdiction's database as follows:

a. A TA (Transaction Accepted) for an 02 Change is accepting all data within the transaction. (See Processing Rule 2.a.)

3b. A TA (Transaction Accepted) for an 02 Change is only accepting the change of data that is identified in the Change Variable Segment. Data that has been changed and not indicated in the Change Variable Segment will not be considered accepted, nor shall be loaded or edited, and may cause rejections on future transactions.

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4. Jurisdictions shall either TA (Transaction Accepted) or TR (Transaction Rejected) an 02 Change. TE (Transaction Accepted with Errors) is not applicable on the 02 Change due to the challenges of reporting a Change Variable Segment on the CO Correction.
5. When a Variable Segment is changed, all occurrences of the segment shall be present on the transaction in order to give the Jurisdiction a complete picture of the segment. For example, three witness segment occurrences were present on the FROI 00 Original. Later the phone number is updated for the third witness. A FROI 02 Change is sent with all three witness occurrences populated. Refer to the DP rule for Change Reason Code (DN0413) for further information.

6. Employee ID Type Qualifier (DN0270) and the related identifiers (Employee ID) of Employee SSN (DN0042), Employee Employment Visa (DN0152), Employee Employment Green Card (DN0153), Employee ID Assigned by Jurisdiction (DN0154), and Employee Passport Number (DN0156) are paired Data Elements where the Employee ID and one Employee ID Type Qualifier must be sent together. When either value reported in a transaction is changed, Employee ID Type Qualifier should be identified in the Change Variable Segment as an Update. When Employee ID Type Qualifier is changed from one type to another, the change shall be sent by the Claim Administrator as an Update rather than an Add of one Data Element and a Remove of another.
7. Financial Processing Rules:
 - a. Financial Variable Segments include Benefit, Other Benefit Types, Adjustments/Credits/Redistributions (ACR), Recovery, Reduced Earnings, Payment, and Concurrent Employers. Some of these financial segments typically advance during the life of the claim when an MTC "event" does not occur. Changes to some financial data, including but not limited to, Benefit Type Claim Weeks, Benefit Type Claim Days, Benefit Type Amount Paid, Other Benefit Type Amount, and Recovery Amount are not required to be reported until
 - i. another reportable SROI is due or
 - ii. indicated in a Jurisdictions Element Requirement table with Reportable Change Code YG (see Reportable Change Codes above)
 - b. Benefit processing rules:
 - i. Gross Weekly Amount (DN0174) and Net Weekly Amount (DN0087) shall only change on a CA (Change in Benefit Amount) or another event MTC including but not limited to AB (Add Concurrent Benefit), CB (Change in Benefit Type), RB (Reinstatement of Benefits) and never on an 02 Change.
 - ii. Net Weekly Amount Effective Date (DN0211) and Gross Weekly Amount Effective Date (DN0175) may be updated on an 02 Change.
 - iii. An 02 Change shall not be sent to Update the Benefit Period Start Date (DN0088) when:
 - a. another MTC applies (e.g. MTC CB (Change in Benefit Type), RB (Reinstatement of Benefits), AP (Acquired Payment)); or
 - b. after an AB (Add Concurrent Benefit Type), AP (Acquired Payment), IP (Initial Payment), RB (Reinstatement of Benefits), EP (Employer Paid), ER (Employer Reinstatement), or CB (Change in Benefit Type) to revert it back to the earliest Benefit Period Start Date (DN0088) for the same benefit type. (See Data Dictionary for Benefit Period Start Date); or
 - c. the date is resetting to the first day of the waiting period for the same benefit type.
 - iv. An 02 Change may be sent to report a waiting period paid for a different Benefit Type from the Benefit Type previously reported on the IP (Initial Payment), EP (Employer Paid), or AP (Acquired Payment). This will be indicated as an A (Add) in the Change Variable Segment for the Benefit Segment because a new Benefit Segment occurrence was added.
 - v. An 02 Change may be sent to update the Benefit Period Start Date (DN0088) when erroneous data was previously reported.
 - vi. An 02 Change may be sent to report a reclassification of benefits after benefits have ended.

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- vii. There are times when a benefit must be reported for a past period e.g. waiting week (same or different benefit) or a previous period that was due but not yet reported. Jurisdictions must define in the Trading Partner Tables if an 02 Change or SU Sync Up shall be sent to report this scenario. A past period is defined as the Benefit Period Through Date (DN0089) of the past benefit being added is less than the Benefit Period Start Date (DN0088) of the current Benefit Type.
 - viii. When the Change Data Element/Segment Number (DN0412) contains the Number of Benefits (DN0288), the Benefit Segment is considered an Event Segment. The 02 Change must be present in each Benefit occurrence that has changed. If the 02 Change is not identified in the Benefit Segment that is being changed but is identified in the Change Variable Segment, the Jurisdiction may reject the 02 Change.
Note: There may not be an 02 in the Benefit Segment when the Change Reason Code is D (Delete) as the benefit that has changed no longer exists. A Jurisdiction shall not reject an 02 because the 02 is in the Benefit Segment of a Benefit that has not changed as long as there is a recognizable change on the 02. See Identifying Changes above. Refer to Section 4 Variable Segment Population Rules, MTC in the Benefits Segment for further information.
 - ix. Overpayment amount - Current (DN0433) - Change Reason Codes are limited to Add and Update. The value could change (Update) with every indemnity payment. Jurisdictions should be aware that the value could be reported on an 02 Change each time a payment is made.
- c. Payment processing rules:
- i. Data in the Payment Segment can only be updated related to the last reported payment. Examples (where the jurisdiction requires a payment segment on the AP, IP, PY, or RB):
 - a. When an IP (Initial Payment) and SA (Sub Annual) have been reported with no other MTC that requires a payment segment, then an 02 Change can report a payment Update. The payment reported on the 02 Change should reflect the associated payment for the IP.
 - b. When an RB (Reinstatement of Benefits) follows an IP, then a change to the IP payment is not allowed as the RB would have reported the last payment accepted.
 - c. When a PY (Payment Report) for a lump sum payment or a settlement follows an IP, then a change to the IP payment is not allowed as the PY would have reported the last payment accepted.
- d. Benefit Adjustment, Credit, and Redistribution Segment processing rules:
- i. Benefit Adjustment Weekly Amount (DN0093) and Benefit Credit Weekly Amount (DN0129) shall only be updated on another event MTC e.g. CA, CB, or RB.
 - ii. The following Benefit Adjustment and Credit Data Elements shall only have a Change Reason Code of U (Update):
 - Benefit Adjustment Code (DN0092)
 - Benefit Adjustment Start Date (DN0124)
 - Benefit Adjustment End Date (DN0125)
 - Weekly Income Amount for Offset (DN0409)
 - Benefit Credit Code (DN0126)
 - Benefit Credit Start Date (DN0127)
 - Benefit Credit End Date (DN0128)

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- ii. Adjustments and Credits with no Reclassification: When the Benefit Adjustment/Credit Code (DN0092 or DN0126) is updated, only the alpha portion of the Benefit Adjustment/Credit Code may change however, the Benefit Type portion of the code must remain the same.

For example, a Benefit Adjustment Code of A050 is reported and later it is determined that the correct Benefit Adjustment Code is B050, an 02 Change is reported to communicate the Update in the alpha portion of the code; however, the Benefit Type portion of the Benefit Adjustment/Credit Code remains the same.

- iv. Adjustments and Credits with Reclassification: Unless another MTC applies, when a Reclassification of a Benefit Type Code occurs with an Adjustment or Credit that has not ended, both the alpha and Benefit Type portion of the Benefit Adjustment/Credit Code (DN0092 or DN0126) may change. Reduced Benefit Amount Code (DN0202) of R (Reclassification) must be present on the transaction and be Added in the 02 Change Segment if not previously reported.

For example, a Benefit Type Code of 050 was previously reported along with a Benefit Adjustment Code of A050. Later (before the adjustment has ended), the Benefit Type Code was found to be reported erroneously and is updated to 070 and the Benefit Adjustment Code to A070. In this case, the Benefit Type Code in the Benefit Segment as well as the Benefit Type portion of the Benefit Adjustment Code in ACR segment is Updated and the Reduced Benefit Amount Code of R is Added.

- v. Redistributions are treated differently than Adjustments and Credits as they do not impact the Net Weekly Amount (DN0087). Unless another MTC applies the following rules should be utilized.
 - a. The Benefit Redistribution Segment may be Added, Updated, or Deleted; however, a delete should only occur when the segment never applied and shall not be reported simply because the redistribution has ended.
 - b. When the Claim Administrator is Adding the Benefit Redistribution End Date (DN0132) and no other MTC applies, the Claim Administrator shall send an 02 Change with a Change Reason Code of Update (U) to Number of Benefit ACR (DN0289).

8. Reduced Earnings Segment processing rule:

Per the Variable Segment Population Rules elsewhere in Section 4, a Reduced Earnings occurrence, once accepted, shall never be sent again and therefore, an 02 Change shall not be required. Refer to Change 02 Processing Rules R3.1 Limitations Known to Date.

9. Acquired Claims Processing Rules:

If a Jurisdiction accepts MTC AQ or AU, they must be aware of restrictions for data requirements on Acquired Claim transactions. Refer to Acquired Claims Processing rules elsewhere in Section 4.

- a. Based on the known limitations, jurisdictions shall not expect an 02 Change from the acquiring claim administrator to change data submitted by the prior claim administrator, nor shall an 02 be required by the jurisdiction prior to an AQ for the acquiring claim administrator. A jurisdiction can permit an 02 in place of an AQ in certain circumstances. (See Acquired Claims Processing Rules)
- b. A new Claim Administrator can only recognize an 02 Change from the point of acquisition forward; therefore, the acquiring claim administrator's initiating FROI and SROI set the picture from which future 02's will be identified and generated. Jurisdictions shall not edit for No Recognizable Change Found (error 124) for data received prior to the AQ, AU, and first SROI sent by the new Claim Administrator. See Identifying Changes above.
- c. Change Reason Code is restricted to Add or Remove for Employer Paid Prior to Acquisition Code (DN0203). Update is not applicable because there is only one code value.

Considerations for Requiring an 02 Change

1. The jurisdiction should carefully consider the Reportable Change Code placed on each data element in the Element Requirement Table for the 02 Change transaction and edits applied to those Data Elements on the Edit Matrix.
2. While it will be necessary for some data changes, jurisdictions should use caution when applying the (Add, Update, Remove, and Delete) Change Reason Code as the data may change frequently. Data Elements such as Match Data and those critical to the overall claim handling process may require an 02 Change, and less critical data such as Claim Status Code (DN0073) would be reported on the next MTC.
 - a. Jurisdictions may not want to allow an Add or Remove to Data Elements indicated as Mandatory or Mandatory Conditional as they should already be present or never be removed.
 - b. A change to any Variable Segment Counter should not generate an 02 Change. The counter will change through normal processing. See Change Data Element/Segment Number (DN0412) in the Data Dictionary for when the Data Element Number for a Variable Segment Counter will be indicated in the Change Variable Segment.
 - c. When migrating to Release 3.1 (previous release or paper), the MTC UR is the only transaction to be used to synchronize a Jurisdiction and Claim Administrator's claim data. Jurisdictions shall not require an 02 Change to be the initial Release 3.1 transaction and Claim Administrators shall not send 02 Change transactions solely due to migration from one IAIABC release to introduce Release 3.1 data elements. Refer to Recommended Method for Migrating to Release 3.1 in the Legacy Reporting rules elsewhere in Section 4.
3. Jurisdictions need to analyze how the receipt of 02 Change transactions will impact their database in order to process 02 Change transactions correctly. If a jurisdiction is going to apply cross edits/requirements to data identified in the Change Variable Segment to determine anomalies as noted in processing rule 2b and 3b, they must be able to recognize and compare against data previously accepted in their database. Data not included in the 02 Change Variable Segment shall not be used to apply cross edits to the data being changed on the 02 Change itself. (See processing rules 2 and 3).
4. Jurisdictions should be aware that the value of some financial data will legitimately change during the life of a claim and should carefully consider allowing changes to data elements in the Benefits, Other Benefits, Payments, Recoveries and Benefit Adjustment, Credits or Redistribution segments. For example, returned checks, improper coding, and reclassification of benefits. It is recommended that jurisdictions either allow the 02 Change transactions to overlay these segments in their system, or consider providing another method of changing these data elements outside of electronic reporting. See Financial Processing Rules.
5. Work Week Type Code (DN0204) and Work Days Scheduled Code (DN0205) are related Data Elements that must be evaluated together if required on an 02 Change. If Work Week Type Code equals Fixed (F) then Work Days Scheduled Code is required. When a Reportable Change Code is set for Work Days Scheduled Code on the Element Requirement Table, the 02 Change should not be generated unless the Work Week Type Code equals Fixed. A Change Reason Code of Remove (R) shall not be allowed for Work Days Scheduled Code, as the data element does not apply for any Work Week Type Code other than Fixed and should be ignored.
6. Reportable Change Code is limited to Update for Employee Security ID (DN0206) because Employee Security ID is generated by the jurisdiction. The Data Element should be included on the next MTC after receipt in the acknowledgement.
7. Some Data Elements, including but not limited to, Full Denial Effective Date (DN0199), Full Denial Reason Code (DN0198), Denial Reason Narrative (DN0197), Partial Denial Effective Date (DN0436), Partial Denial Code (DN0294), Suspension Effective Date (DN0193), Suspension Reason Code – Full (DN0418), Suspension Reason Code – Partial (DN0419), and Suspension Narrative (DN0233) are data elements that indicate another MTC may be due. When a jurisdiction has not TA'd the initiating event MTC, (e.g. 04, PD, SX, or PX) they may TR the 02 Change. If the Jurisdiction has not TA'd the initiating event and the Data Elements listed above are identified in the Change Variable Segment along with other Data Elements (e.g. Match Data), the Claim Administrator may need to remove the Data Elements listed above from the Change Variable Segment and resend it before reporting the next event.

Section 4: Business/Technical Process Rules

8. Certain Data Elements can occur multiple times throughout the life of the claim, and allowing an Update to these Data Elements could pose a problem to the jurisdiction if they overlay the data, rather than storing each occurrence. Claim Administrators could be storing only one occurrence of these Data Elements and may not be able to systematically tell the difference between a new value recently entered that may be reported on an upcoming MTC, and an Update to an existing value previously reported. Jurisdictions should carefully consider allowing 02 Change transactions on these Data Elements. For example, Full Denial Effective Date (DN0199) is initially reported on an 04 (Denial). Later, the date is changed in the Claim Administrator's system. The Claim Administrator may not know if this change is a result of a new Denial requiring an 04, or an Update to the existing Denial requiring an 02 Change. Another similar case is Suspension Narrative (DN0233) and Suspension Effective Date (DN0193). In the same way, these Data Elements may be Updated and a Claim Administrator may not systematically recognize this change as a new event versus a previously reported event. Jurisdictions who choose not to allow a change to these Data Elements may need to consider a manual process outside of EDI.

The following data elements may have multiple occurrences throughout the life of the claim.

DN	Name
0070	Date of Maximum Medical Improvement
0072	Latest Return to Work Status Date
0075	Agreement to Compensate Code
0077	Late Reason Code
0144	Current Date Disability Began
0145	Current Date Last Day Worked
0193	Suspension Effective Date
0196	Denial Rescission Date
0197	Denial Reason Narrative
0198	Full Denial Reason Code
0199	Full Denial Effective Date
0212	Non-Consecutive Period Code
0233	Suspension Narrative
0293	Lump Sum Payment/Settlement Code
0294	Partial Denial Code
0299	Award/Order Date
0406	Latest RTW Type Code
0407	Latest RTW Physical Restrictions Indicator
0408	Latest RTW With Same Employer Indicator
0416	Current Date Employer Had Knowledge of Current Date of Disability
0417	Current Date Claim Administrator Had Knowledge of Current Date of Disability
0418	Suspension Reason Code - Full
0419	Suspension Reason Code - Partial
0436	Partial Denial Effective Date

9. It is highly recommended that changes to Data Elements should not be sent or accepted by jurisdictions in between a Transaction Accepted with Errors (TE) and the related CO (Correction) transaction. See Error Correction Process Guidelines elsewhere in Section 4. Jurisdictions that intend to enforce this recommendation must ensure that they are timely and accurately sending TE's and processing CO's.

Section 4: Business/Technical Process Rules

10. When the Data Element Number for a Variable Segment Counter is indicated in the Change Variable Segment, it is recommended that jurisdictions allow the 02 Change transaction to overlay every occurrence of the segment in their system. This is because the transaction does not provide a method of indicating which segment occurrence is being changed (other than the MTC 02 in the Benefits segment).
11. Wage (DN0062) is on the FROI and Average Wage (DN0286) is on the SROI. It is recommended that (DN0062) Wage on a FROI should only be an Add or Update (only if a SROI has not been filed) and (DN0286) Average Wage on a SROI should only be an Add, Update, or Remove. Claim Administrations should be aware that (DN0063) Wage Period Code can change along with (DN0062) Wage or (DN0286) Average Wage. Both the amount (DN0062 or DN0286) and the Wage Period Code may be reported on the same 02 Change transaction when applicable.

Timeline for Reporting an 02 Change After Concluding Transactions

If a concluding transaction has been accepted and then a change occurs, an 02 Change transaction may be required by the jurisdiction. Jurisdictions should communicate via the Event Table:

- a. Which MTCs are considered concluding transactions e.g. 04, FN, SX
- b. For what period of time an 02 Change is required after a concluding transaction but not greater than a timeline barred by the jurisdiction's statute of limitations.
- c. If another MTC is applicable such as an updated Final (FN) or periodic for specific changes.

The following table illustrates the sequence in which business events (MTC) should occur during the life of a claim. When used with the Jurisdiction Event table, the sequence of reporting requirements can be determined. (i.e. SROI events implies that previous report(s) have been accepted by the jurisdiction for the claim.) Failure of sequencing rules could result in rejection of required reports by the jurisdiction. See Processing Rules in Section 2-2.

Section 4:
Business/Technical Process Rules