

## Issue Resolution Request Form

The Issue Resolution Request (IRR) process is the IAIABC's method of changing the national EDI standard when modifications or clarifications are needed. Changes must be undertaken thoughtfully and deliberately, and the amount and level of work that is needed to adjust the standard must be managed carefully. Therefore, requests will be screened early in the IRR process to ensure that the issue may appropriately be addressed in an IAIABC EDI standard.

IRR: CLM792

DATE: 07/14/2015

PRIORITY: Medium

STATUS: Open

FROM: Claims Committee

PHONE/FAX NUMBER:

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**BUSINESS REQUIREMENT/ISSUE:** How should the Claim Administrator report concurrent benefits when both the employer is paying salary continuation (2xx BTC) and the Claim Administrator is paying indemnity benefits (0xx BTC) at the same time? The AB MTC is available when a concurrent benefit is being added, but what initiating or reinstating MTC should be used when the Claim Administrator is aware that both benefit types (0xx and 2xx) are being paid at the same time?

1. What is the business requirement/issue? Cite any applicable statute/rules, and attach a copy, if desired.

In the current scenario, both 0xx and 2xx BTC are being paid concurrently. Several examples are cited in the Discussion/History section, but the state of Maine came across a scenario where the employer is paying 2xx BTC for an employee's base salary and the claim administrator is paying 0xx for the employee's commission portion of the wages **at the start of the claim**.

  - **If the EP is the first MTC sent, the current EP/ER MTC definitions state that salary continuation is being paid in lieu of compensation and the claim administrator is not paying any indemnity benefits at this time, so BTC 0xx would not be expected to also be present. (This definition could be amended to add an exception if the new proposed DN is present.)**
  - **If the IP is the first MTC sent, it could reflect a 2xx segment as well, but if the Start Dates were beginning on the same day, a jurisdiction may reject that. The new proposed DN would be a way for a jurisdiction to know why the Start Dates were beginning on the same day.**
2. Is the information currently being collected at this time by the submitter? If yes, detail current method of collecting the information.

- The Claim Administrator may have knowledge at the onset that both salary continuation and indemnity benefits have been initiated at the same time, but currently, the standard does not identify which MTC should be used in this scenario.
3. If the information is not currently being collected, what timeline does the submitter expect or require for implementation of the proposed change?
    - TBD
  4. What other methods of collection or reporting, if any, have been considered?
    - The use/modification/creation of an ACR code.
    - The placement of the IP or RB MTC in multiple benefit lines was explored, but these MTC's by standard require a payment segment which may not apply to all 2xx BTC's.
    - The use of the AB as the initiating MTC was also explored, but this was ruled out because it involved too many changes.
    - Changing 'Employer Paid Salary Prior to Acquisition Code' to add another value was explored, but ruled out because this wouldn't identify which benefits were concurrent.
    - Adding a new field/flag in the benefit segment filler to identify which benefits were concurrent. This would help particularly on the CB MTC. Claim Administrator's were unsure how this could be set automatically.
    - Changing 'Employer Paid Salary in Lieu of Compensation' indicator from an indicator to a code. Group felt this wasn't always used accurately today, so modifying it's use/definition may add to confusion.

REVIEWED BY: (Triage reviewer)

DATE: (date reviewed by Triage)

DISCUSSION/HISTORY: (may include discussion minutes, discussion forum comments, etc.)

Adding a Concurrent Benefit Payor Indicator would help to identify filings where 0xx and 2xx benefits begin on the same day. Below is a table that has been drafted to clarify the relationship between concurrent employment, concurrent benefits and concurrent payors. The purpose of this IRR is to identify Concurrent Payors, in which case, concurrent benefits will always apply, but concurrent employment may or may/not apply. However, the presence of Concurrent Benefit Types (other than 0xx and 2xx) does not always imply Concurrent Payors. The presence of the Concurrent Benefit Payor Indicator may also identify when a Net Weekly Amount may be less than expected, but an ACR Code doesn't really apply (needs to be discussed).

Concurrent Scenarios with different Issues:

Issue	Concurrent Employment?	Concurrent Benefit Types?	Concurrent Payers?
Two Benefit Types are being paid concurrently by the Claim Administrator, but not due Concurrent Employment (e.g. BTC 020 and 021).	N	Y	N
Two Benefit Types are being paid concurrently by the Claim Administrator; And Concurrent Employment DOES apply (e.g. BTC 020 and 021).	Y	Y	N
Employer wants to pay base Salary in Lieu of Comp, but does not want to pay for commissions. No Concurrent Employment	N	Y (BTC 2xx paid by Employer. If reported as 240, only Start and Through Dates are sent), 0xx paid by Claim Admin as a reduced amount (Not normal 0xx Gross/Net)	Y
Claim Admin paying 0xx, but Employer wants to pay for a commission that has renewed. No Concurrent Employment	N	Y 0xx paid by Claim Admin. BTC 2xx paid by Employer as a reduced amount (If reported as BTC 240, only Start and Through Dates are sent, so no rate information is present). If reported as other BTC 2xx-not 240, it would be a reduced amount (Not normal 2xx Gross/Net)	Y
Accident Employer wants to pay base Salary in Lieu of Comp, but does not want to pay for additional monies due for other concurrent employment.	Y	Y (BTC 2xx paid by Employer. If reported as 240, only Start and Through Dates are sent), 0xx paid by Claim Admin as a reduced	Y

		amount (Not normal 0xx Gross/Net)	
One Benefit Type being paid by the Claim Administrator (0xx) and Concurrent Employment DOES apply, but indemnity is being paid under a single 0xx BTC by the Claim Admin.	Y	N	N

### REQUESTER'S PROPOSED SOLUTION (Optional):

The creation of a new Concurrent Benefit Payor indicator is proposed that would identify at a claim level when concurrent payors apply to the claim/MTC.

### CONCURRENT BENEFIT PAYOR INDICATOR – DN???

Definition: An indicator to identify when both the claim administrator and the employer are currently paying a portion of the injured employee's indemnity benefits. The claim administrator is paying a portion of indemnity (BTC 0xx) and the employer is paying a portion of salary continuation benefits (BTC 2xx) at the same time. Concurrent employment may or may not apply.

Values:

Y – Yes

N – No

DP Rule:

- When concurrent benefit payors no longer applies, the indicator should be re-set to N.
- An indicator of 'N' means there is currently not more than one payor. Concurrent benefit payors do not currently apply or may have never applied.
- Any state requiring this indicator would have to accept the AB and Px.

### FINAL PROPOSED RESOLUTION:

IMPACT STATEMENT: (to come from the committee; to include whether the proposed change creates a new Release)