



Oregon

Kate Brown, Governor

Department of Consumer and Business Services

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To: Workers' compensation insurers, self-insured employers, service companies, and medical electronic data interchange reporters

Subject: Civil Penalties for Medical Electronic Data Interchange (EDI) Aging Bills Over 180 Days

INDUSTRY NOTICE

Accurate and timely medical bill data is essential to the Workers' Compensation Division for a number of reasons, including identifying medical cost and utilization trends; tracking emerging medical issues; fee schedule development; research; and providing information to the legislature, Management-Labor Advisory Committee, and Medical Advisory Committee.

Under OAR 436-160-0415(6)(c) and ORS 656.745, insurers or self-insured employers may be subject to civil penalties for any reported medical bills that have not been accepted by the division or designated as uncorrectable under OAR 436-160-0415(5) within 180 days of the date of bill payment or denial.

Since July 2015, the division has emailed monthly aging bill reports to medical EDI reporters. These reports list all rejected bills that have not been accepted by the division or designated as uncorrectable 60 days or more after the bill was last rejected. Starting with the October 2016 report, an insurer or self-insured employer representative will be copied on the monthly reports.

Starting Nov. 7, 2016, the division will begin to assess civil penalties on a monthly basis for medical bills that have been rejected and either not accepted or marked as uncorrectable by division staff within 180 days of the bill's payment or denial date. **Each bill** on the aging bill report that is more than 180 days from the bill's date of payment or denial will be penalized individually.

The division expects reporters to actively monitor their rejected transaction acknowledgements and resolve rejections in a timely manner to avoid the possibility of civil penalties. Additionally, the insurer or self-insured employer is responsible for its own actions, as well as the actions of others acting on the insurer's behalf (OAR 436-160-0445).

If there are bills on the aging bill report that may be considered uncorrectable, a reporter must request and receive authorization to stop submitting a previously-rejected transaction [OAR 436-160-0415(5)]. To request uncorrectable review, send an email to dcbs.edimedical@oregon.gov with the following information:

- Insurer FEIN (DN0006)
- Unique Bill Identification Number (DN0500)
- Sender FEIN (DN0098)
- Reason for why the bill is uncorrectable

The division will review the request. If we agree the bills are uncorrectable, they will be removed from the aging bill report. If we disagree with the request, we will notify the requester. For questions, contact EDI Coordinator Jenni Bertels at dcbs.edimedical@oregon.gov or call 503-947-7742.

Lou Savage, Administrator, Workers' Compensation Division

Distribution: GovDelivery (insurers, self-insured employers, service companies, and EDI medical bill data reporting)