National Dental EDI Council
NDEDIC

Health Care Claims – ASC X12 837D Transactions

Types of Claims

There are three general classes of claims: **Paper**, **Non-Standard Electronic**, **and Standard Electronic 837 Transactions**. When a typical dental office sends a claim directly to an insurance company, the office usually send the claim on paper via the U.S. Mail. When the same office sends a claim electronically, the office will utilize either a standard electronic ASC X12 837 Health Care Claim Transaction format or a non-standard electronic format as dictated by the practice management software being used. The claim is sent electronically to a claims clearinghouse. Claims arriving at an insurance company on paper are often converted into Standard Electronic 837 Transactions in order make use of the efficiencies of using one standard format.

Claims clearinghouses receive both standard electronic ASC X12 837 transaction files and non-standard electronic claim files. They aggregate claims from a variety of sources, and bundle them as standard electronic ASC X12 837 transactions for delivery to the insurance companies. Clearinghouses may deliver the standard electronic ASC X12 837 claims in a file as a "batch" of claims, or they may deliver the claims transaction as a "real time" transaction – either way, the structure of the data follows the standard ASC X12 837 format.

Benefits of Sending Claims Electronically

NDEDIC believes that sending claims electronically improves the quality and efficiency of the healthcare system. The two main components of this are time and money.

Time: In the same way that sending an email is quicker than sending a letter in the U.S. Mail, so is sending a healthcare claim electronically quicker than sending a claim "hard copy". Using EDI to send a claim also lends itself to real-time transactions, which can provide benefit to patients and providers alike by giving immediate feedback.

Money: It is well known in the healthcare industry that electronic transactions and work flows are less expensive than the corresponding non-electronic methods of sending claims. Many organizations, including NDEDIC, even provide a <a href>calculator to help providers determine cost savings. There is also a formal <a href>study by Milliman Inc., (revised January 2006), which concludes that the average medical practitioner could save $42,000 per year by utilizing electronic transactions.

The ASC X12 837 Health Care Claim Transaction

There are three different types of ASC X12 837 Health Care Claims:

- ASC X12 837P for Professional Medical Claims
- ASC X12 837I for Institutional (Hospital) Medical Claims, and
- ASC X12 837D for Dental Claims

In January 2009, the final rule 74 FR 3296 mandated the adopted of the ASC X12 standard 837 version 5010 as the current standard, effective as of January 2012.

Although ASC X12 is constantly updating the 837 standard, by law these revisions are not adopted until the Secretary of HHS issues a final rule adopting the revision.

Implementation guides for X12 transactions, including the AC X12 837D transaction, may be purchased from the exclusive publisher of X12, Washington Publishing Company, at WPC-EDI.COM. In addition to the implementation guide, many organizations supply a companion guide to address the organization's particular implementation of the standard transaction. These companion guides can often be found by searching the organization's website. Note that according to HIPPA (45 CFR 162.915), companion guides may not change the definition, data condition, or use of a data element in a standard or change the meaning or intent of the standard's implementation specifications.

The ASC X12 837 Health Care Claim Operating Rules

The Operating Rules General Provisions (1104(b)(1)–(3)) of the Affordable Care Act: "Establishes July 1, 2014 as deadline to adopt operating rules for health claims or equivalent encounter information….so that they are effective no later than January 1, 2016." In September 2012, the Secretary of HHS has named CAQH CORE to provide and maintain Operating Rules for the ASC X12 837 transaction and also for the remaining HIPAA electronic healthcare transactions.

The 837 Health Care Claim Code Lists

When using the ASC X12 837D transaction, certain data elements must be populated from a list of values – these lists of values are referred to as "Code Lists" and are maintained by CMS. ASC X12 assists CMS with maintenance and distribution of the lists and many of the lists may be found at: http://www.wpc-edi.com/reference/

For Further Information

The members of NDEDIC represent the best and most informed resources on the 837D transaction in the industry. Membership in NDEDIC offers access to these resources and more. For further information contact ndedic@ndedic.org.