

835 and the Value to You

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Electronic Remittance Advice (835)

▶ Overview

- ▶ Facilitates the electronic communication of claim adjudication results from a payer to the provider community
- ▶ Removes the need for printing and mailing paper Explanation of Payments
- ▶ Allows for automating the remittance posting processes for provider billing offices
- ▶ Reduces the manual labor needed to facilitate this business function on both sides of the revenue cycle improving throughput and decreasing operational costs
- ▶ Allows for the electronification of payment, remittance and reconciliation functions

Value to Providers

- ▶ Reduction in operational costs
- ▶ Reduction in risk eliminating hard copies of PHI
- ▶ Enhanced downstream workflow capabilities
- ▶ Combined with EFT the ERA/EFT partnership offers quicker cash flows reducing DSOs.
- ▶ Reduces manual provider follow-up
- ▶ Increases accuracy of secondary billing
- ▶ Reduces incorrect billing of patients
- ▶ Reduces the need for time spent on phone calls and websites

Value to Payers

- ▶ Reduction in operational costs
- ▶ Reduces risk associated with delivering remittance information via postal system
- ▶ Provides opportunities and ease of transition from check payments to electronic payments
- ▶ Allows the standardization of remittance information into other solution offerings (i.e. EHRs, patient portals, mobile applications)
- ▶ Supplies the opportunity to migrate to standardized code sets versus proprietary Explanation of Payment messaging
- ▶ Proper transaction usage results in reduced calls from providers and members

Value to Patients/Members

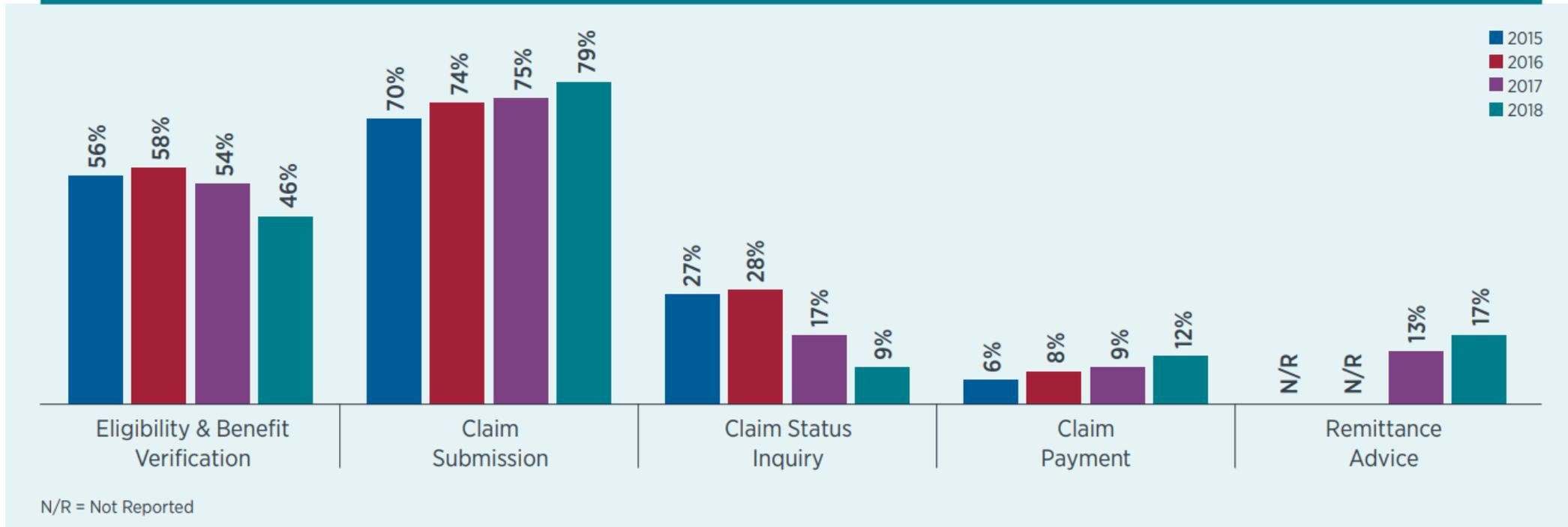
- ▶ Provides expedited adjudicated results for services rendered
- ▶ Patient responsibility clarifications are available sooner allowing for planned payment options/credit opportunity discussions
- ▶ Standardized datasets supporting downstream availability for other solutions (i.e. EHRs, patient portals, mobile applications, credit facilitators)
- ▶ Enables automation capabilities for HSA Administration payments

Barriers to Adoption

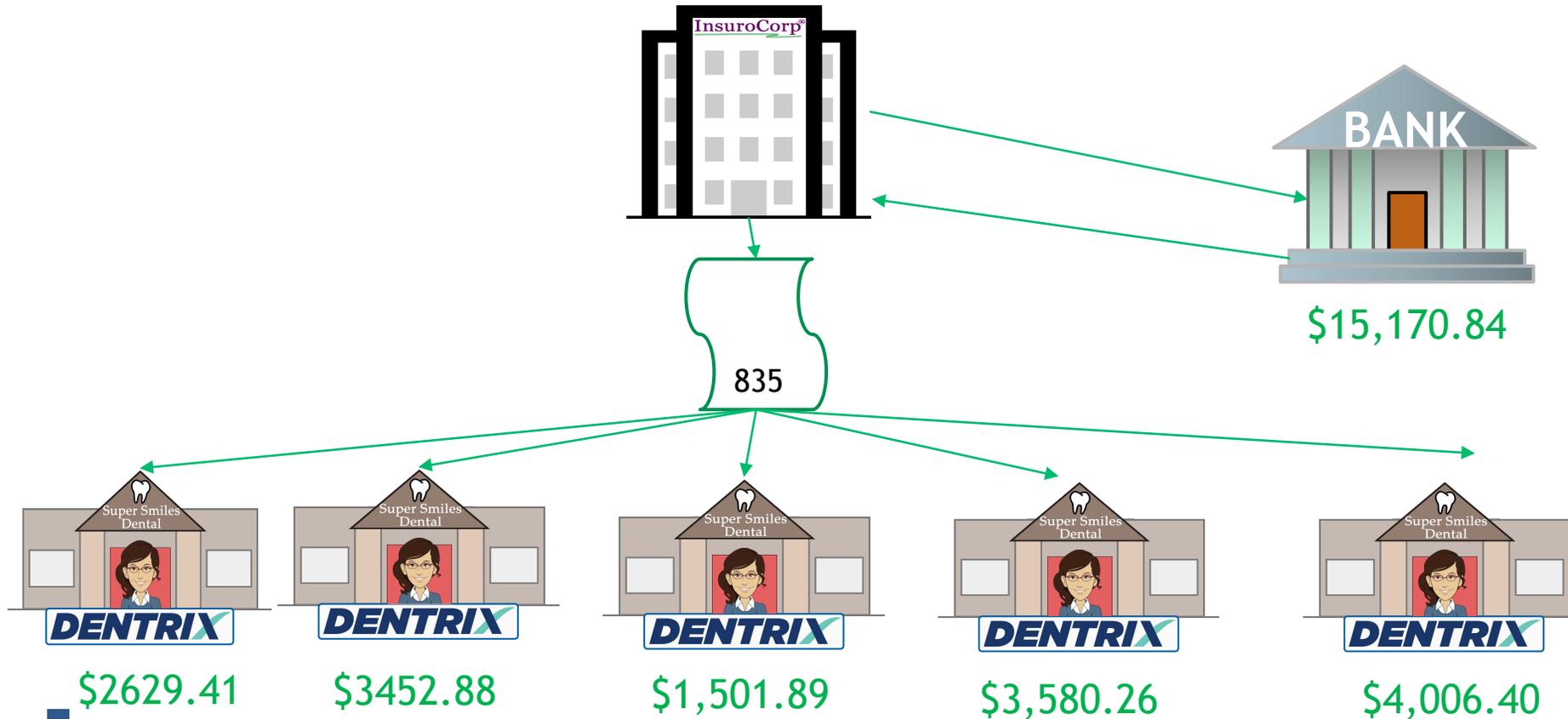
- ▶ Lengthy Enrollment Processes
- ▶ Legacy Paper EOP Remark Codes and Descriptions
- ▶ ERA Quality Concerns
- ▶ Advanced Practice Management System Support (Automated Posting and Post Workflow Actions)
- ▶ Complexities due to Market Aggregation/Acquisitions
- ▶ Member-based Adjudicated Scenarios versus Service-based
- ▶ Schedule-based Adjudicated Scenarios versus Service-based
- ▶ Generic Payment Level Adjustments and Offsets

Industry Metrics

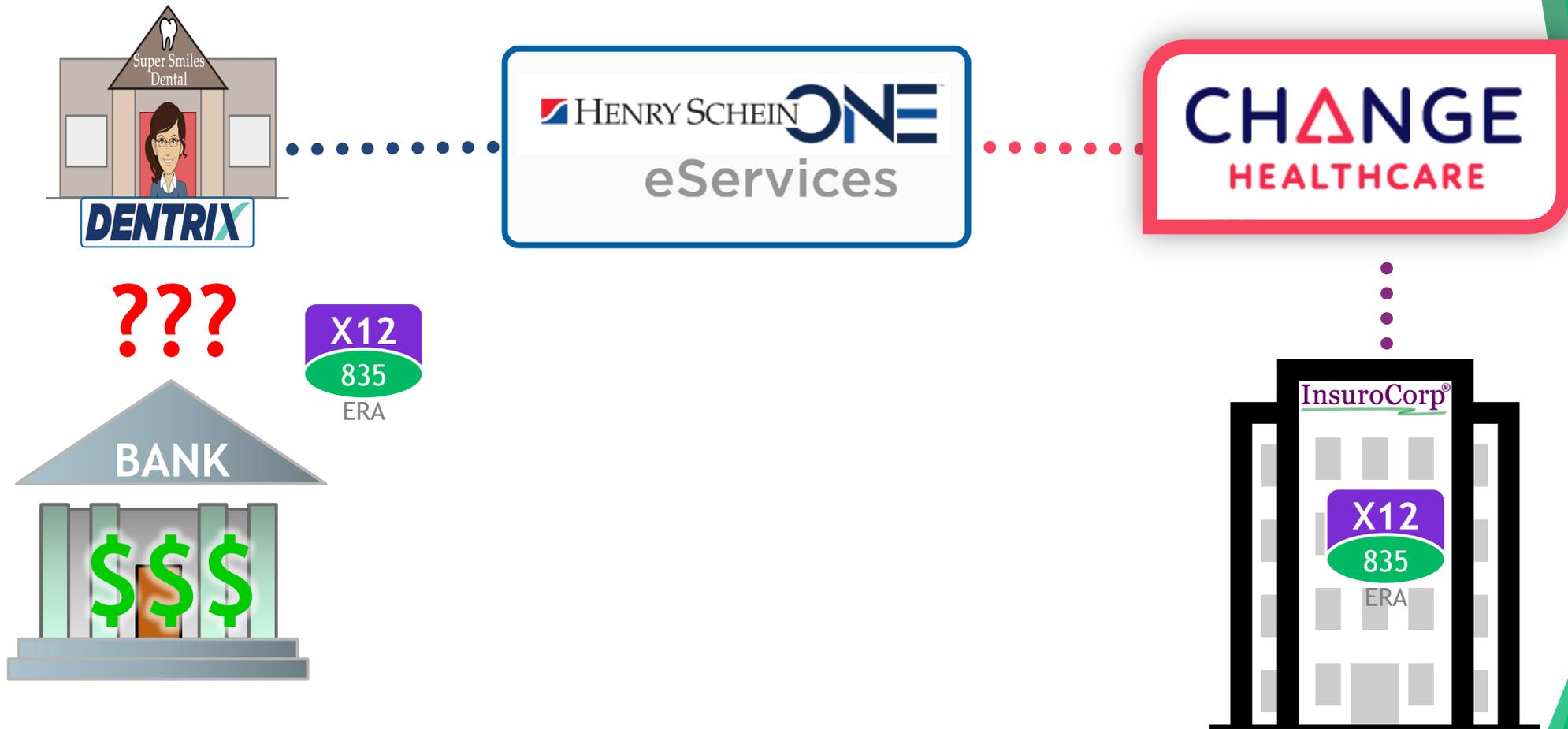
Figure 2: Adoption of Electronic Administrative Transactions, Dental, 2015 – 2018 CAQH Index



1 TIN - Reconciliation Nightmare



Who wants access to my bank account?



“Si’down, CARC, you’re RARC’in the boat!”

Payment Summary

InsuroCorp DentaQuest Internal ID: [REDACTED] Business NPI: [REDACTED] Payment Cycle: EOB Date: 10/05/2016 Payment #: [REDACTED] Page 3 of 37

Provider Name	Location Name	Claim Number	Submitted Amount	Patent Pay	Writeoff	Plan Pay
			\$143.00	\$0.00	\$62.94	\$80.06
			\$143.00	\$0.00	\$143.00	\$0.00
			\$233.00	\$0.00	\$127.88	\$105.12
			\$325.00	\$0.00	\$223.90	\$101.10
			\$892.00	\$0.00	\$540.60	\$351.40
			\$1,072.00	\$0.00	\$697.41	\$374.59
			\$305.00	\$0.00	\$187.58	\$117.42
			\$1,198.00	\$0.00	\$671.77	\$526.23
			\$1,923.00	\$0.00	\$126.76	\$1,796.24
			\$233.00	\$0.00	\$127.88	\$105.12
			\$682.00	\$0.00	\$440.61	\$241.39
			\$305.00	\$0.00	\$174.81	\$130.19
			\$325.00	\$0.00	\$142.23	\$182.77
			\$253.00	\$0.00	\$240.60	\$12.40
			\$892.00	\$0.00	\$540.60	\$351.40
			\$989.00	\$0.00	\$558.03	\$430.97
			\$882.00	\$0.00	\$558.45	\$323.55
			\$882.00	\$0.00	\$540.60	\$341.40
			\$1,198.00	\$0.00	\$817.77	\$380.23
			\$1,923.00	\$0.00	\$127.88	\$1,795.12
			\$333.00	\$0.00	\$147.58	\$185.42
			\$185.00	\$0.00	\$147.58	\$37.42
			\$399.00	\$0.00	\$262.91	\$136.09
			\$1,418.00	\$0.00	\$158.23	\$1,259.77
			\$225.00	\$0.00	\$155.98	\$69.02
			\$234.00	\$0.00	\$80.50	\$153.50
			\$151.00	\$0.00	\$42.28	\$108.72
			\$86.00	\$0.00	\$241.00	\$155.00
			\$241.00	\$0.00	\$1,065.00	\$824.00
			\$185.00	\$0.00	\$82.50	\$102.50
			\$280.00	\$0.00	\$170.04	\$109.96
			\$1,308.00	\$0.00	\$963.83	\$344.17
			\$1,308.00	\$0.00	\$393.89	\$914.11
			\$1,308.00	\$0.00	\$771.81	\$536.19
			\$1,308.00	\$0.00	\$397.88	\$910.12
			\$814.00	\$0.00	\$128.13	\$685.87
			\$315.00	\$0.00	\$34.96	\$280.04
			\$75.00	\$0.00	\$158.00	\$83.00
			\$324.00	\$0.00	\$158.00	\$166.00
			\$211.00	\$0.00	\$122.68	\$88.32
			\$99716.00	\$0.00	\$52,441.18	\$47,274.82

Total for Claim Details: \$0.00
 Claim Adjustment Summary: \$0.00
 Total for Claim Adjustments: \$0.00
 Net Payment Amount: \$24,241.18
 Misc. Adjustment Summary: \$0.00
 Total for Misc. Adjustments: \$0.00
 Summary of Adjustments with Potential Impact to Future Payments: \$0.00
 Total Adjustments: \$0.00

Details for Each Claim Payment

DentaQuest Internal ID: [REDACTED] Business NPI: [REDACTED] Payment Cycle: EOB Date: 10/05/2016 Payment #: [REDACTED] Page 4 of 37

InsuroCorp

Patient Name: [REDACTED] Member #: [REDACTED] Member Type: [REDACTED] DOB: [REDACTED]

Provider Name: [REDACTED] Location NPI: [REDACTED] Place of Service: Office Service Address: [REDACTED]

Office Reference #: [REDACTED] Group: [REDACTED] Sub-Group: [REDACTED] Product: [REDACTED]

Claim #: [REDACTED] Auth #: [REDACTED] Referral #: [REDACTED] Referral Date: [REDACTED]

Item	Submitted Code	Paid Code	Tooth	Description	Date of Service	Submitted	Approved	Allowed	Other Insurance	Copy Plan %	Deductible	Patent Pay	Writeoff	Plan Pay	Processing Policies
1	D0150	D0150		comprehensive oral evaluation - new or established patient	09/30/16	\$105.00	\$36.83	\$36.83	\$0.00	\$0.00	100%	\$0.00	\$0.00	\$68.17	\$36.83
2	D0210	D0210		intraoral - complete series of radiographic images	09/30/16	\$111.00	\$78.75	\$78.75	\$0.00	\$0.00	100%	\$0.00	\$0.00	\$32.25	\$78.75
Total:						\$216.00	\$115.58	\$115.58	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100.42	\$115.58

Patient Name: [REDACTED] Member #: [REDACTED] Member Type: [REDACTED] DOB: [REDACTED]

Provider Name: [REDACTED] Location NPI: [REDACTED] Place of Service: Office Service Address: [REDACTED]

Office Reference #: [REDACTED] Group: [REDACTED] Sub-Group: [REDACTED] Product: [REDACTED]

Claim #: [REDACTED] Auth #: [REDACTED] Referral #: [REDACTED] Referral Date: [REDACTED]

Item	Submitted Code	Paid Code	Tooth	Description	Date of Service	Submitted	Approved	Allowed	Other Insurance	Copy Plan %	Deductible	Patent Pay	Writeoff	Plan Pay	Processing Policies
1	D0120	D0120		periodic oral evaluation - established patient	09/29/16	\$52.00	\$21.36	\$21.36	\$0.00	\$0.00	100%	\$0.00	\$0.00	\$30.64	\$21.36
2	D4910	D4910		periodontal maintenance procedures	09/20/16	\$130.00	\$61.62	\$61.62	\$0.00	\$0.00	100%	\$0.00	\$0.00	\$68.38	\$61.62
Total:						\$182.00	\$82.98	\$82.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$99.02	\$82.98

Patient Name: [REDACTED] Member #: [REDACTED] Member Type: [REDACTED] DOB: [REDACTED]

Provider Name: [REDACTED] Location NPI: [REDACTED] Place of Service: Office Service Address: [REDACTED]

Office Reference #: [REDACTED] Group: [REDACTED] Sub-Group: [REDACTED] Product: [REDACTED]

Claim #: [REDACTED] Auth #: [REDACTED] Referral #: [REDACTED] Referral Date: [REDACTED]

Item	Submitted Code	Paid Code	Tooth	Description	Date of Service	Submitted	Approved	Allowed	Other Insurance	Copy Plan %	Deductible	Patent Pay	Writeoff	Plan Pay	Processing Policies
1	D2740	D2740	30	crown - porcelain/ceramic substrate core build-up, including any pins when required	09/30/16	\$1,065.00	\$437.65	\$437.65	\$0.00	\$0.00	100%	\$0.00	\$0.00	\$627.35	\$437.65
3	D2740	D2740	31	crown - porcelain/ceramic substrate core build-up, including any pins when required	09/30/16	\$1,065.00	\$437.65	\$437.65	\$0.00	\$0.00	100%	\$0.00	\$0.00	\$120.91	\$120.09
4	D2950	D2950	31	crown - porcelain/ceramic substrate core build-up, including any pins when required	09/30/16	\$241.00	\$120.09	\$120.09	\$0.00	\$0.00	100%	\$0.00	\$0.00	\$627.35	\$437.65
Total:						\$2,612.00	\$1,115.48	\$1,115.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,496.52	\$1,115.48

Patient Name: [REDACTED] Member #: [REDACTED] Member Type: [REDACTED] DOB: [REDACTED]

Provider Name: [REDACTED] Location NPI: [REDACTED] Place of Service: Office Service Address: [REDACTED]

Office Reference #: [REDACTED] Group: [REDACTED] Sub-Group: [REDACTED] Product: [REDACTED]

Claim #: [REDACTED] Auth #: [REDACTED] Referral #: [REDACTED] Referral Date: [REDACTED]

Item	Submitted Code	Paid Code	Tooth	Description	Date of Service	Submitted	Approved	Allowed	Other Insurance	Copy Plan %	Deductible	Patent Pay	Writeoff	Plan Pay	Processing Policies
1	D2391	D2391	4 0	resin-based composite - one surface, posterior	10/01/16	\$170.00	\$104.81	\$104.81	\$0.00	\$0.00	100%	\$0.00	\$0.00	\$65.19	\$104.81

Current Dental Terminology © American Dental Association

7030 835 ERA Preview

- ▶ CR 105 Inclusion of the RAS segment supports multiple CARCs for a single dollar amount and allows association of remark codes to a specific CARC. The RAS segment replaces the CAS segment for reporting adjustment codes and amounts, and also includes reporting remark codes associated to a CARC.
- ▶ CR 1265 Allow for card payments (p-card, debit card, and credit card) within the 835 and related X12 transactions so remittance information can be conveyed electronically in these scenarios.
- ▶ CR 1101 N1 Payer Name - Name the provider knows the payer by, match the CCD+ NACHA Operating Rules update requires the Payer Name in the CCD+ file to be the name the provider will recognize, the name the provider knows the payer by. Name listed in the 835 should match this name.
- ▶ CR 123 CLP01- revise the rule to be consistent with other TR3s and to require a unique ID.
- ▶ CR 1040 The TOO segment to be added to the 835 for the purpose of a dental payment indicating the tooth number and surface that was adjudicated

How Can Industry Groups Assist?

- ▶ NDEDIC
 - ▶ CARC/RARC Task Group focusing on getting consistencies in payer utilization of CARC/RARC combinations to streamline workflow
 - ▶ ERA/EFT Trace Task Group focusing on finding “missing” transactions.
- ▶ ADA
 - ▶ Effort to bring industry parties together to define barriers
- ▶ WEDI
 - ▶ White paper on Real-Time Claim transactions using the 835 as response. Easier to match but doesn't relate to Real-Time payment