ABCare One Claims
MDL EFT Pre-note Project

Business System Design
1.3

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ITG Claims

Version 1.3

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1.   Executive Summary

1.1   Purpose

This Business System Design Report has been created for the MDL EFT Pre-note Project. It specifies the business requirements to implement the Pre-Notification (Pre-Note) for the ABCare ABS Claim Processing system. See document, "MDL Settlement 2005 Project ABCCA/ABCOR 7.12 Business Area Requirement Report" for more details of the MDL Settlement agreements.

This document will also address additional requirements necessary for the cohesive implementation of the Pre-note, Electronic Funds Transfer, and Electronic Remittance Advice system functionality.

This "MDL EFT Pre-note" project is split into two subprojects. They are:

- Phase I, Manual EFT Switch and Control by the business user.
- Phase II, Automatic EFT Switch and Control by the ABS system.

This BSD only addresses the first phase. The second phase will be briefly addressed in "Pre-note Automation Requirements (Phase II)".

1.2   Background

A pre-notification is required by banking industry standards to be issued for every provider that elects to receive electronic payments. MDL 7.12 requires that we allow providers the option to be issued electronic payments. Without a pre-note process in place, ABCare, Inc. is not compliant with this MDL regulation.

Bank Industry and HIPAA EDI processes require that the settlement dates of the 835 and 820 transactions for a payment are the same. Currently, due to the timing of nightly batch and the sending of an 820 transaction to the bank, these dates are commonly out of sync. This record would not be rejected by the bank. However, it is the provider that is the end user and they expect to see these dates in sync per the well-known publicize standards. If we do not have the dates in sync then the provider would not be able to use our EFT process

1.3   In Scope

This project will address the following requirements:

- Allow the business user to create a Pre-note Registration for a provider via Provider HIPAA Transaction Status screen.
- Allow the entry and update of the Pre-note Registration Status flag to indicate the status of a pre-note EFT transaction in the Provider HIPAA Trans Detail screen.
- Keep and allow view access to the pre-note registration records for the EDI business users.
- Allow the business user to copy an existing ACH pre-note registration record to a 'live' ACH payment registration record when the Provider has notified ABCare that the pre-note EFT was successful.
- Implement the EFT settlement date calculation logic to enable the 835 and 820 transactions to contain the same settlement date.
- Get the bank information from the 820 HIPAA Request record when creating an ERA (835) transaction for an electronic payment.
- Split the test and production ERA transactions into two separate files to be sent to Bank of America to be able to test the ACH pre-note transactions.
- Automatically push the test ACH and ERA transaction files to the translator and FTP them to a test directory.
- Increase the field size for the Transit number to 12 characters and the account number to 35 characters in the HIPAA Request file. Because our EFT trading partner can only accommodate 9 characters for the transit number and 17 for the account number, the entry of these fields will be restricted to 9 for the Transit Number and 17 for the Account Number.
- Store the pre-note status, status date and trace number in the HIPAA Request file.
- Ability to store the Pre-note Transaction record trace number.
- Distribute the NACHA reports to the appropriate Finance business users.

1.4   Out of Scope

- The implementation of the Pre-note process by Ecare or Medi-cal cal System. The current registration process that takes place in the ABS system handles both the pre-note registrations for ABS and Ecare providers. The Ecare provider's EFT registration information is entered in the HIPAA Request file via an ABS on-line program. ABS Claims Nightly Batch system will be used to create and test the Pre-note transaction records for Ecare providers. Currently the ABS Claims Nightly Batch automatically feeds the Ecare system the same provider account and routing information. Once a Ecare provider's Pre-note is successful, then the Ecare system will issue the ACH payment transactions for that provider.

- Increasing the transit number and account number sizes in the NACHA and ERA files to meet HIPAA requirements. While the 820 can handle larger fields, this is only for International Banking. The banking industry in the US supports the field length of the developed in the NACHA Standard.
- Handling multiple banks to transfer the electronic payments from. Currently ABCare only can use one EFT partner – Bank of America.
- Automatically receiving acknowledgements from Bank of America that an ACH or ERA transaction record has been sent to a Provider's bank and updating the corresponding Pre-note Registration record in the HIPAA Request file.
- The automatic switching on of the EFT by the ABS system on the 10th day after the EFT pre-note effective entry date (Phase II).
- Calculate the interest on the extra days that an electronic payment is delayed due to a payment landing on a weekend or holiday. The funds are available sooner for electronic checks than for deposited paper checks.

1.5   Pre-note Summary Process Diagram
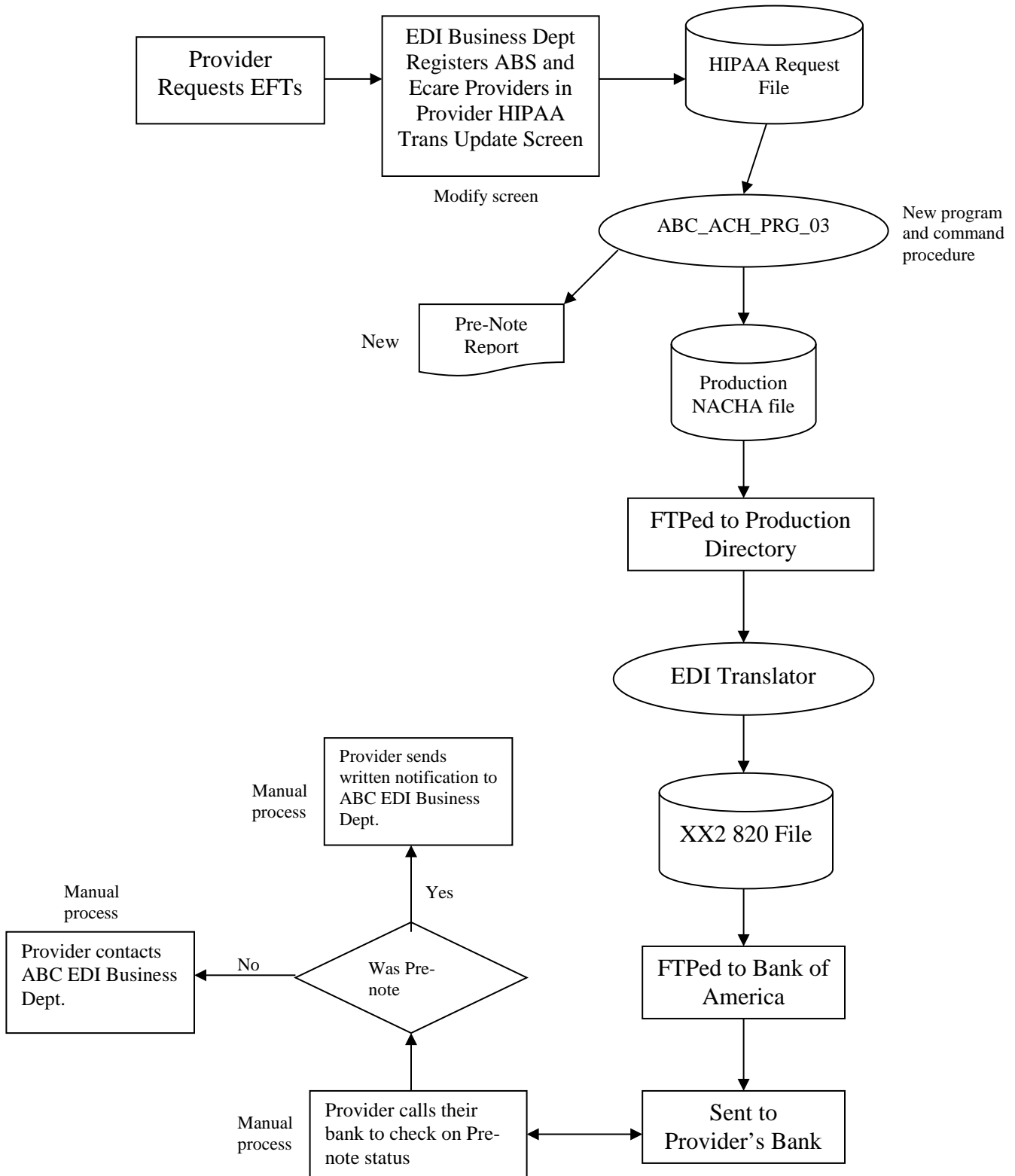
1.6.a   ABS Test/Production Summary Process Diagram

Note: Only ABS Providers will be used to create Test NACHA and ERA files.

HIPAA Request File

Claims Daily Payment

Modify program and command procedure

EDIDAILY_085

XXX_EDIDAILY02

Modify command procedures

Test ERA Report

Prod ERA Report

New

New   Test ERA File

Prod ERA File

New   Test NACHA File

Prod NACHA File

Modify command procedures

FTPed to Test Directory

FTPed to Prod Directory

Modify EDI job

EDI Translator

EDI Translator

Test X12 835 File

Test X12 820 File

Prod X12 835 File

Prod X12 820 File

New directory

FTPed to EDI User's Test Directory

Yes

Provider has Clearing

No

FTPed to Bank of America

FTPed to Provider's Clearing House

Manual process

EDI Business Dept. uses the Test files for internal testing

Sent to Provider's Bank

FTPed to Provider

1.6.b   Ecare Production Summary Process Diagram

```
┌──────────────┐        ┌────────────────────┐        ┌──────────────┐
│ HIPAA Request│───────▶│   CLM_FTP_PRG_2    │───────▶│    HIPAA     │
│     File     │        └────────────────────┘        │   Request    │
└──────────────┘                                       │    Ecare     │
                                                        └──────┬───────┘
                          ┌──────────────┐                     │
                          │ FTPed to Ecare│◀───────────────────┘
                          └──────┬───────┘
```

ABC System

- -

Ecare System

```
                          ┌──────────────┐
                          │    HIPAA     │
                          │   Request    │
                          │    Ecare     │
                          └──┬────────┬──┘
```

Modify program to read new HIPAA layout.

835 program in Financial Run   **820 program in Financial Run**

Modify program to read new HIPAA layout.

Prod ERA File   **Prod NACHA**

FTPed to Prod Directory   **FTPed to Prod Directory**

EDI Translator

Prod X12 835 File   **Prod X12 820 File**

Yes

Provider has Clearing   **FTPed to Bank Of America**

FTPed to Provider's Clearing House.

No

FTPed to Provider   **Sent to Provider's Bank**

1.7   Glossary of Terms

ACH check – Refers to an electronic payment.

Clearinghouse – Refers to an organization that acts as a director of electronic information and/or money between businesses, institutions, government agencies, or any combination of the above.

DFI – Depository Financial Institutions

EFT – Refers to Electronic Funds Transfer or the Electronic File Transfer department. An 820 ACH transaction is a form of an EFT (fund transfer). In this document, EFT refers to the electronic file transfer department and 820 ACH refers to the electronic funds transfer.

Electronic Check – Refers to an 820 ACH payment.

ERA – Electronic Remittance Advice (i.e., an electronically delivered explanation of claims payment)

FCH – Refers to DFIs. The most common example is a bank.

Hard Errors – Refer to data or events that prevents processing of an EFT. When a hard error is encountered while creating the EFT, the EFT instance is written to the IFS. We create the transaction instance because the remittance is send in the same cycle. The error correction for the EFT is performed within the EDI department prior to transmission.

IFS -   Intermediary Sequential File refers to the partially formatted, 820/ACH (CCD) NACHA data stored in sequential files. These files are sent to the EDI or the Electronic File Transfer departments for reformatting and delivery to Bank of America.

NACHA Internal Mapping – Refers to the mapping of claims payment data to the NACHA propriety format used within ABCare by ABS, ECARE and Valutech. The ISF file created in this project is in the NACHA propriety format.

Payee –   Refers to whom or to what organization gets paid for the medical services performed on the claims. It can be the actual Provider who provided the service or the PMG the servicing provider is a part of.

Pre-note (Pre-notification) – Refers to an ACH entry with $0.00 that is sent to a DFI to verify bank account information prior to sending a 'live' payment entry.

Remittance or Remittance Advice – Is an explanation of all the claims paid/adjusted in a claims payment. One remittance advice can apply to many claims and providers. Remittances are generally sent to provider's PMGs.
TCH – Refers to traditional clearinghouses. A traditional clearinghouse is a company that is not a bank (or other depository financial institution). TCHs can only receive electronic remittance information (ERA). The TCHs ABCare currently has business relationships with Herea (a business) and Proxymed.

Transaction Instance – Refers to the set of partially formatted payee data that represents one electronic payment.

1.8   Record Types

Throughout this document it will discuss various type of records. The following table explains the different types of records and their purpose in the process:

Record Type	Stored in File	Tran Type	Purpose
RA registration record	HIPAA Request file	835	Provider EFT registration record which holds the Remittance Advice information used to create 'live' RA transaction records.
ACH Pre-note registration record	HIPAA Request file TST flag = N	820	Provider EFT registration record which holds the ACH information to create a pre-note transaction record.
ACH Payment registration record	HIPAA Request file TST flag = P, or T	820	Provider EFT registration to create 'live' electronic payment records.
ERA transaction record	ERA file	835	An electronic remittance advice record used to reconcile with a corresponding ACH pre-note or payment transaction record.
ACH pre-note transaction record	NACHA file BPR01 = P, or T	820	An ACH pre-note transaction record sent to the provider's bank to confirm the provider's bank account and routing number. Trace number is generated suing the system date.
ACH payment transaction record	NACHA file BPR01 = P, or T	820	An ACH live electronic payment record sent to a provider's bank. Trace number = check number.

1.9   Assumptions

- The EDI business user will register the providers to receive electronic payments. Only the EDI business users will have access to view or update the provider's bank account and routing information.
- All providers that wish to receive electronic payments from ABCare can request to be setup to receive electronic payments.
- All checks, except re-issued checks, will be sent electronically to providers that are registered to receive electronic payments.
- No corresponding 835 transaction record will be created for Pre-note transaction records.
- The ACH pre-note transaction will be issued by the ABS Claims Nightly Batch system when a provider is first manually registered to receive electronic payments.
- Each ACH pre-note transaction will have a unique trace number.
- An ACH pre-note transaction is used to confirm that the receiving provider's bank account and routing information is valid.
- Each ACH pre-note transaction will have a $0.00 deposit amount.
- Because the pre-note will have a $0.00 deposit amount there will be no 824 acknowledgement transaction record will be created by the bank.
- An ACH pre-note registration record can only be used once to test a pre-note EFT transaction. If another test is required then a new pre-note registration record will need to be created with a new effective date.
- An ACH pre-note registration record cannot be created with an effective date from the past.
- A provider will not be registered as a Ecare provider. They will be registered as either 'A' (ABS) or 'B' (both). The Ecare system currently does not send EFTs.
- Only ABS Providers will be used to create test ERA and NACHA files in the ABS Claims Nightly Batch system.
- The providers will send the EDI business unit a written confirmation that the ACH pre-note transaction was successful.
- The provider will be setup to receive 'live' ACH payment transactions after ABCare receives notification from the provider and it is 10 business days after the ACH pre-note transaction was sent.
- Bank of America is currently the only bank setup by ABCare to transfer electronic funds to the provider's bank. Bank of America is ABCare's EFT trading partner.
- Only one bank account (BOFA account) will be used to submit the pre-note and payment EFT transactions from.
- For Bank of America, the 10 business days start on the ACH pre-note transaction record effective date (BPR16 field).
- The EDI translator process will create an ANSI 820 transaction record with a pre-note indicator: BPR01 field = P.

- The effective date of the ACH transaction should be the same as the settlement date of the ERA transaction record for a given payment and remittance advice. (BPR16 field)
- No NACHA or ERA files are created on Sundays in the ABS system.
- Bank Holidays used in the settlement date calculation logic will be entered in a table and maintained each year by the EDI business users.

2   Business Area Requirements

2.1   Pre-Note Business Requirements

1. When an EDI business user registers a provider to receive electronic payments, after the RA registration record is created, the first ACH record created should be a pre-note registration record. Pre-notification or pre-note is an ACH transaction record with a zero deposit amount that is sent to a DFI to verify the receiving account information prior to sending any live payment transactions. Each ACH pre-note record will have a unique trace number.

2. When an ACH pre-note registration record is created, the ABS Claims Nightly Batch system will automatically create an ACH pre-note transaction record for the effective date stored in the pre-note registration record. These ACH pre-note transaction records will be sent to Bank of America. The ABS Claims Nightly Batch system will automatically update the ACH pre-note registration record with a W (waiting) in the Pre-note Status field for those pre-note transactions that were sent. It will also update the status date with the system date and the Pre-note Trace Number field with the generated trace number.

3. The ACH pre-note registration information will be captured. For every instance an ACH pre-note registration record is created, this information will be stored in ABS system and will be accessible to the EDI business users.

4. In case of an error with the initial ACH pre-note (incorrect bank routing or account number), the Provider will contact the EDI Business Department telling them the pre-note failed. The system will allow a new ACH pre-note registration to be created. When the new ACH pre-note registration record is created, it will be re-submitted as a new ACH pre-note transaction record to the receiver and sender's bank. If the ACH pre-note transaction record is rejected, the provider registration process is terminated. (Note: Because the effective date is part of the key for the ACH pre-note registration records, a pre-note effective date cannot be changed. Therefore, a new ACH pre-note registration record must be created.)

5. If a provider participating in the EFT payments bank account information changes, the user must first update the Expiration date of the existing ACH

Payment registration record. The user will not be allowed to update the bank account information of an existing ACH Payment registration record where today's date is greater than the effective date. A new ACH pre-note registration record and ACH Payment registration record must be created. When a pre-note is re-issued, a 10-day period will be required to verify the provider's new bank account and routing information. During this transition period the electronic funds transfer will be expired and paper checks issued to the provider.

6. To avoid error in re-entering bank account information, the user will be allowed to copy an existing ACH Pre-note Registration record to a new ACH Payment Registration record.

7. Due to banking requirements, an actual ACH payment transaction should not be sent prior to ten days of the pre-note transmission to the bank. The ten days is the time period that the provider has to respond to the pre-note. After the provider sends written confirmation that the pre-note was successful and it is 10 business days after the ACH pre-note transaction was sent, then the EDI business user will update the ACH pre-note registration record with a C (completed) in the pre-note status flag for that provider. The user will then be able to copy the pre-note registration record to a new payment registration record. The provider will begin receiving electronic payments after the effective date on the ACH payment registration record.

8. The Pre-note payment date is to follow the same delayed date logic as the regular ACH payment transaction record.

9. The EDI Business users want to track and update the progress of a pre-note during the testing period. To do so we will need to store three new fields in the HIPAA Request file – Pre-note Status flag, Pre-Note Status Date and Pre-note Trace Number. These new fields will be updated by the ABS Claims Nightly Batch system when a Pre-note transaction record is created. The EDI Business users will be able to update the Pre-note Status and Pre-note Status Date fields in the Provider HIPAA Trans screen when they receive written notification from the provider that the pre-note was successful.

The ABS Claims Nightly Batch system sends an extracted version of the HIPAA Request file to the Ecare system. Ecare IT department will need to change the Ecare system to handle these new fields in the HIPAA Request file.

2.2   ACH Payments and ERA Coordination Requirements

1. The payment date located in the ANSI 820 record must equal the settlement date in the ANSI 835 record for a given pre-note/check and remittance advice. The settlement date represents the date that the check will be settled (or deposited). The dates are stored in the BPR16 field in both record types.

2. The dates in the 820 (ACH) and 835 (ERA) transaction records must follow these conditions to accurately calculate the payment and settlement date:
   - On a normal week, for Monday, Tuesday and Wednesday the settlement date will be delayed by the number of days in the BANK_CODE file for the sending bank. (two days for BofA)
   - On a normal week, for Thursday, Friday and Saturday, the settlement date will be the Monday of the following week.
   - If the settlement date falls on a bank holiday, then next available banking business day will be used.

3. Retrieve the bank account information from the current ACH Payment Registration record in the HIPAA Request file when creating an ERA transaction record for electronic payments.

4. Allow the EDI business users to enter and update the Bank Holiday dates used in the settlement date calculation logic. The EDI Business users will update this table each year.

5. Develop a live testing environment in Production to test 835 and ACH transactions. The following items are required for the creation of this testing process:
   - Allow for testing of the 835 (ERA) and 820 (ACH) pre-note transaction records. The ABS Claims Nightly Batch needs to split the Production and Test ERA transaction records into two separate files. Currently the ABS Claims Nightly Batch splits the test and production ACH transactions into two separate files.
   - The ABS Claims Nightly Batch job needs to look for and send the test NACHA and ERA transaction file to the appropriate test directories where they will be picked up by the Translator. Directories are:
     1) \\ABCVS04\DATA3\EDI\CA_EDI_Reports\EDI_835_TEST
     2) \\ABCVS04\DATA3\EDI\CA_EDI_Reports\EDI_820_TEST
   - The EFT Team will need to modify their process to look for the new Test ERA and NACHA files in the test directory, send them through the Translator, and copy the translated files to a test directory for the EDI Business users to work with.

2.3   HIPAA Requirements

1. Due to HIPAA requirements, we need to increase these field sizes to accommodate possible larger numbers. Increase the transit number field to 12 from 9 characters and the bank account number field to 35 from 12 characters in the HIPAA Request file. The HIPAA Request file to be ready when Bank of America expands these fields in the future. The NACHA file and ERA files will not be changed at this time.

    On the Provider HIPAA Trans Detail screen the Bank Account field will be expanded to what Bank of America can currently handle (17 characters for account number). The transit number will not be expanded as 9 characters are the maximum that the bank can accept.

    The ABS Claims Nightly Batch system sends an extracted version of the HIPAA Request file to the Ecare system. Ecare IT staff will need to change the Ecare system to handle the increased field sizes in the HIPAA Request file.

2.4   Ecare System Requirements

The following are changes that are required of the Ecare system as part of the Phase I of this project:

- Ecare IT department to modify the Ecare system to handle the three new fields added to the HIPAA Request file (Pre-note Status, Status Date, Trace Number).
- Ecare IT department to modify the Ecare system to handle the expanded fields in the HIPAA Request file (Transit number and Bank Account).
- Ecare IT department to modify the programs that read the HIPAA Request file and handle the new Pre-note registration record appropriately (Trans = 820 and Tst flag = N). Because Ecare does not create pre-note transaction records, the pre-note registration records should be ignored.
- Ecare IT department and business unit to change when the checks are processed to Mondays so that electronic checks will be settled by the following Wednesday.
- Ecare IT department to add date delay logic to the electronic payment process to accommodate bank holidays.

2.5   Pre-note Automation Requirements (Phase II)

The ABS modifications in phase two will describe the automatic interchange between the pre-note and the electronic funds transfer in the ABS system. After the 10th day the pre-note has been entered in the system, the system will automatically initiate the ACH transactions for that provider. The automation will include the following:

- Automatically insert the ACH Payment Registration record for that provider after the 10th day.

  The business user will not be able to bypass the 10-day automatic release of the electronic payment and change the date to an earlier or later date as desired by the user. The user may cancel the automatic creation of the ACH Payment Registration record though when an error has occurred in the pre-note. For this phase, the provider will not be involve, there will be automatic reports to determine if pre-note was successful.

- The pre-note payment transaction will be changed to accommodate a fixed amount $1.00 transaction The use of a true money value in the pre-note will allow for the automatic transmission of acknowledgment reports by Bank of America. These reports will then be used to update the ABS application to acknowledge the pre-note was successful and automatically create EFTs for the trading partner on an ongoing basis.

Note: These enhancements are for a future project

3   Functional Requirements

3.1   HIPAA Pre-Note Request File Modifications

Before the screen changes are implemented, make the following changes to the existing ABC_HIPAA_RQST_FILE table.

ABC_HIPAA_REQUEST_FILE Changes			
Field Name	Type	DB Validation	Description
HIPAA_TRANSIT_NO	Char (12)	None	Filler for future expansion of the payee's transit number
HIPAA_ACCOUNT_NO	Char (35)	Must be at least 1 character.	Stores payee's bank account number
HIPAA_PRENOTE_STAT (new)	Char (1)	Blank = Ready to send W = Sent, waiting for verification C = Completed successfully	Stores the pre-note transaction record status code.
HIPAA_PRENOTE_DATE (new)	Char (8)	Date	Stores the pre-note transaction record status date.
HIPAA_PRENOTE_TRCNO (new)	Char(15)	None	Stores the pre-note trace number when ACH Pre-note transaction is sent to the Provider's bank.

3.2   Provider HIPAA Transaction Status and Detail Screen Modifications

3.2.1   ACH Pre-Note Registration Record Setup

The EDI Business user accesses this transaction screen from the "HIPAA Menu" screen. The "Transaction Detail Entry" screen displays/maintains the details of the transactions listed in the "Provider HIPAA Transaction" summary area. From the Provider HIPAA transaction screen, the EDI Business user selects a provider, then he/she enters letter "I" to insert a Pre-note registration record. Next, the "Transaction Detail Entry" screen is displayed.

Mockup #1

```
ABC_CLM_HIPAA_UX_01      Claims Administration System      Mar-17-2017
Update                        ABCare Development              NODE2::MXT

                         TRANSACTION DETAIL ENTRY

 1) Provider 33-3333333  Sfx **      Name Apria Healthcare

    Contact  Carolina

 2) Tran   X12 Ver      Sub Cat  PPG ID  Src  Dest  Tst  Eff Date   Exp Date
    820                 ACH              A    E     N    03-17-2017 03-17-2017

 3) Submitter ID  1954402957          _____

 4) Bank Name    Bank of America              ABA No.   221144430
    Account No.  001458426300_____           Acct. Typ. [X]CHK [ ]SAV

 5) Pre-Note Status        Flg      Date        Trace No.
                           _    _____    _____
 6) Transaction Comment _____

  OPTIONS:(1-4,6)  (S)ave  (D)el  e(X)it  (PF4)Options
```

A new value of 'N' will be entered in the TST flag field to indicate it is an ACH Pre-note Registration record. When a 'N' is entered in the TST flag, the Effective Date field will be defaulted to today's date. The EDI Business user can make changes to the Effective Date if needed. After leaving the Effective Date field, the program will default the Expiration date to the value in the Effective Date field.

The EDI Business user can then enter the rest of the necessary data. In Insert option, the new Pre-note Status, Status Date, and Trace Number fields will not be available for input (item #5 on screen).

The ABA No (Transit Number) field will behave as it currently does. It will accept and validate only 9 characters.

The Account No field on this screen will be increased from 12 to17 characters. The Account No field can be 1-17 characters long and can contain spaces.

Changes made to the existing screen fields are highlighted in blue. New fields are highlighted in yellow.

3.2.2   Validation of Pre-Note Registration Records

When the EDI Business user enters a new Pre-note Registration record, he/she enters "S" or "s" to save the new HIPAA record. Before writing a

new record to the HIPAA Request file (or updating an existing record), the following validation checks are performed:

- Check for the existence of an active ERA Registration record. If none exists, then display "No active 835 transaction exists. Must set up 835 first" message.
- No other Pre-note Registration record exists for the same effective date. If one exists, then display "Transaction already exists. Press <RETURN> to continue" message.
- Only 820 transaction code is allowed for Pre-note Registration records. If the transaction code is not 820, then display "Pre<N>ote only valid value for 820 trans" message.
- Expiration Date field must be the same as the Effective Date field.
- Use existing validation logic for all the data fields as with the Insert option.
- The TST flag cannot be changed from a 'N' to any other value when updating an existing Pre-note Registration record. If the record was created in error, the EDI Business user can delete the record and insert a new one.
- Add 'N' to the valid values for the TST flag field. Valid values are H, T, N, or P. If an invalid value is entered, then display "Valid values are <H>old Pre<N>ote <P>roduction <T>est" message.
- When updating an existing Pre-note Registration record, the valid values for the Pre-note Status flag are ' ' blank for Ready to Send, 'W' for Waiting, or 'C' for Completed. The EDI Business user will only be allowed to change this field from a 'W' to a 'C' as the other values are entered automatically by the system.

3.2.3   Tracking the Pre-Note Trace Number

When a Pre-note transaction record is created in the ABS Claims Nightly Batch system a unique trace number will be generated. The program will also update the new Pre-note Trace number field in the Pre-note Registration record for the provider in the HIPAA Request file. The Pre-note trace number will be viewable but not updateable from the Provider HIPAA Transaction Detail screen.

3.2.4   Updating Pre-Note Status to Completed

When the Provider has given the EDI Business user written confirmation that the ACH Pre-note Transaction record was successfully sent to their bank, the EDI Business user will need to update the Pre-note Status flag. From the Provider HIPAA transaction screen, the Edi Business user selects a provider, then he/she selects the Pre-note Registration record they want to update. They then enter the letter "M" to modify a registration record. Next, the "Transaction Detail Entry" screen is displayed.

The Edi Business user will then enter option 5 to update the Pre-note status field. They will enter a 'C' for Completed in the Pre-note Status flag field. After the EDI Business user leaves the Pre-note status field the program will automatically default the Status Date to today's date.

The Pre-note Status Date field will be updateable by the EDI Business user in the Provider HIPAA Transaction Detail screen. He/She can change the Pre-note Status Date to one that reflects the date that they received written notification from the provider that he pre-note was successful.

See *Validation of Pre-note Registration Records* section above for details on validation logic.

3.2.5   New Copy Option

After the EDI Business user updates the Pre-note Registration record to Completed, they will need to create an ACH Payment Registration record to activate the electronic payment process for the provider. A new user option will be added to **Copy** an existing ACH Pre-note Registration record to a new ACH Payment Registration record. The EDI Business user must select the existing ACH Pre-note record on the Provider HIPAA Transaction Status screen before choosing the Copy option.

Mockup #2

```
ABC_CLM_HIPAA_STAT_01     Claims Administration System          Mar-17-2016
Update                        ABCare Development                 NODE2::MXT

                       PROVIDER HIPAA TRANSACTIONS STATUS

Provider 33-3333333  Suffix ***   Name Apria Healthcare


Contact Carolina
„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„
HIPAA  Sub   PPG       Submitter ID/        Flags    Eff          Exp
Tran#  Cat   ID        Trans Information    S  D  T   Date         Date
835    RA              221144430           A  E  P   03-01-2016   99-99-9999
820    ACH             221144430           A  E  N   03-01-2016   03-01-2016



                                                           (1 of 2)
Transaction Comment „„„„„„„„„„„„„„„„„„„„„Last Mod , UID „
Telephone # 949.639.4712                           03-01-2016 B6T
„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„„
 OPTIONS:(P)rv (M)od (I)ns (C)opy (D)el e(X)it (PF4)Opt
```

If the record selected to be copied is not an ACH Pre-note Registration record and the Copy option is invoked, an "Only 820 Pre-note records can be copied. Press <RETURN> to continue" message will display at the bottom of the screen.

An ACH Pre-note Registration record must be flagged as completed before it can be copied to a new ACH Payment Registration record. If a EDI Business user tries to copy a Pre-note Registration record that is not flagged as completed, then "Pre-note not completed, cannot copy" message will display.

When the Copy option is successfully invoked, all the fields except the following will be copied from the existing ACH Pre-note Registration record to the new ACH Payment Registration record:

Field	Default Value
Effective Date	Today's date
Expiration Date	99-99-9999
TST flag	P
Pre-note Status flag	blank
Pre-note Status Date	blank
Pre-note Trace Number	blank
Transaction Comment	blank
User ID	Current user id
Last Update Date	Today's date

The program will populate the fields and bring the EDI Business user to the "Provider Transaction Detail" Screen.

An ACH Payment registration record will not be added or inserted without an existing Pre-note Registration record. To do so, the program will disable the insert option for ACH Payment Registration records. If the EDI Business user tries to insert an ACH Payment Registration record, then "Cannot insert Prod 820. Must Copy from an existing Pre-note record" message will display.

Mockup #3

```
ABC_CLM_HIPAA_DETL_01       Claims Administration System        Mar-17-2017
Update                          ABCare Development               NODE2::MXT

                            TRANSACTION DETAIL ENTRY

 1) Provider 33-3333333  Sfx **        Name Apria Healthcare

    Contact  Carolina

 2) Tran   X12 Ver      Sub Cat  PPG ID  Src  Dest  Tst  Eff Date   Exp Date
    820                 ACH              A    E     P    03-17-2010 99-99-9999

 3) Submitter ID  1954402957         _____

 4) Bank Name    Bank of America            ABA No.   221144430
    Account No.   001458426300              Acct. Typ. [X]CHK [ ]SAV

 5) Pre-Note Status        Flg     Date        Trace No.

 6) Transaction Comment _____

 OPTIONS:(1-6)  (S)ave  (D)el  e(X)it  (PF4)Options
```

At this point the EDI Business user can make the necessary changes to the Tst flag, Effective date, Expiration date, Comment fields and Save. The EDI Business user will not be allowed to change any of the bank fields when copying to a Payment Registration record (TST flag = P). If there was an error in the bank data for the existing Pre-note Registration record, then a new pre-note registration record must be created.

During the Copy option the EDI Business user does have the option of changing the record to be another Pre-note by entering a 'N' in the TST field. For example, if a new pre-note needs to be created for a re-test. If the record is changed to another Pre-note, then all the usual fields are enabled for update as in the Insert option.

3.3   ABC_HIPAA_RQST_FILE.ISM Modifications

This is the HIPAA Request file. There is only one HIPAA Request file for all products.

The HIPAA Request record modifications are highlighted below:

```
ABC_HIPAA_RQST_FILE
01  HIPAA_REQUEST_RECORD.
    02  HIPAA_DETAIL.
        03  HIPAA_KEY0.
            05  HIPAA_SRC_FLAG        PIC X(01).
            05  HIPAA_TAXID           PIC X(09).
            05  HIPAA_SUFFIX          PIC X(03).
            05  HIPAA_TRANSACTION_ID  PIC X(03).
```

```
        05  HIPAA_SUB_CATEGORY      PIC X(05).
        05  HIPAA_EFF_DATE          PIC X(08).
    03  HIPAA_EXP_DATE              PIC X(08).
    03  HIPAA_KEY1.
        05  HIPAA_PROVIDER_NAME     PIC X(33).
    03  HIPAA_CONTACT               PIC X(60).
    03  HIPAA_X12_VER_NUM           PIC X(10).
    03  HIPAA_PPGID                 PIC X(06).
    03  HIPAA_SUBMITTER_ID          PIC X(25).
    03  HIPAA_DEST_FLAG             PIC X(01).
    03  HIPAA_TEST_FLAG             PIC X(01).
    03  HIPAA_COMMENT               PIC X(60).
    03  HIPAA_TRANS.
        05  HIPAA_GEIS              PIC X(01).
        05  HIPAA_DFB               PIC X(01).
    03  HIPAA_FIL_1                 PIC X(1).
    03  HIPAA_METHODS.
        05  HIPAA_FTP               PIC X(01).
        05  HIPAA_WEB               PIC X(01).
        05  HIPAA_EMAIL             PIC X(01).
        05  HIPAA_CLR               PIC X(01).
    03  HIPAA_TRANSIT_NO            PIC X(12).
     03  HIPAA_ACCOUNT_NO            PIC X(35).
    03  HIPAA_ACCOUNT_TP            PIC X(2).
    03  HIPAA_BANK_NAME             PIC X(30).
    03  HIPAA_PRENOTE_STAT          PIC X(1).
    03  HIPAA_PRENOTE_DATE          PIC X(8).
     03  HIPAA_PRENOTE_TRCNO            PIC X(15).
    03  HIPAA_FIL_2                 PIC X(31).
    03  HIPAA_LAST_MOD_DATE         PIC X(08).
    03  HIPAA_USER_ID               PIC X(03).
02  HIPAA_WHOLE_REC             REDEFINES
    03  HIPAA_DETAIL                PIC X(385).
```

3.3.1   HIPAA Request File Conversion Program

A one-time file conversion program will be needed to convert the existing HIPAA Request records to the new format. This program takes the data from the old HIPAA Request file and format, then writes it to the new file and format. The program does a straight old to new copy for all the existing fields. The new Pre-note Status flag, Status Date, and Trace number fields will be left blank in existing records.

3.3.2   Other System Impacts

Because ABS Claims Nightly Batch system copies the HIPAA Request file to the Ecare system. The Ecare IT department will also need to make changes to accommodate these changes to the HIPAA Request file.

The Ecare system processes checks once a week on Saturday. The paper checks are mailed on that Monday and the settlement date is stored as the Wednesday of that week. Currently the ERA's are sent on Wednesday. Both the ERA and the EFTs should be sent to the bank on Mondays and continue to store the same settlement of Wednesday to allow two days for

the check to be settled electronically. The Ecare IT department will also need to add logic to the electronic payment process to accommodate for bank holidays. Thus if the holiday is a Wednesday, log needs to be added to change the settlement date for that Thursday.

3.4   New Bank Holiday Table

A new table will be created in ABS Table Master (HOLIDAY_BANK) to store the bank holiday dates for each year. This table will be used by the ACH 820 Creation program (ABC_ACH_PRG_03) to calculate the settlement date for an ACH payment transaction. The following table is for the holidays scheduled for the year 2006 and 2007:

Holiday	2006	2007
New Year's Day	Monday, January 2	Monday, January 1
Martin Luther King Jr Day	Monday, January 16	Monday, January 15
President's Day	Monday, February 20	Monday, February 19
Memorial Day	Monday, May 29	Monday, May 28
Independence Day	Tuesday, July 4	Wednesday, July 4
Labor Day	Monday, September 4	Monday, September 3
Columbus Day	Monday, October 9	Monday, October 8
Veterans' Day	Saturday, November 11	Monday, November 12
Thanksgiving Day	Thursday, November 23	Thursday, November 22
Christmas Day	Monday, December 25	Tuesday, December 25

The following is an example of HOLIDAY_BANK Tables Master and how the data is setup:
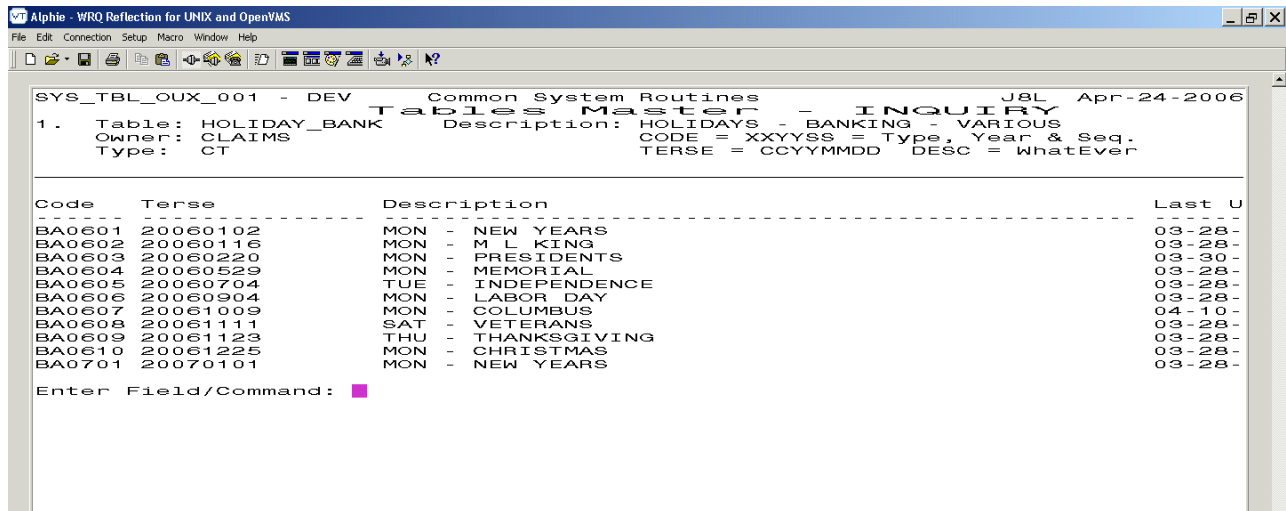
This table will initially setup by ITG but be maintained by the EDI Business users annually after implementation.

3.5   ABC_ACH_PRG_30.COB New Program

The current ABC_ACH_PRG_01.COB program creates a test or production EFT transaction record if a payment is due a provider for that day and they are setup to receive electronic payments. Pre-note transaction records need to be created regardless if a payment is due to a provider. Therefore, a new program will be created to generate the pre-note 820 transaction records. The program will do the following:

1.   Create a new NACHA Pre-note output file.
2.   Read through the HIPAA Request file.
    a) For each HIPAA Request records,
        I.   Determine the payment date using the delayed date logic (weekends and holidays).
        II. Determine if it is an active Pre-note Registration record. It is an active Pre-note Registration record if:
            - HIPAA Trans code = '820'
            - HIPAA Dest code = 'E'
            - HIPAA Test flag = 'N'
            - HIPAA Pre-note Status = ' ' (blank)
            - HIPAA Src flag = 'A' or 'B'
            - HIPAA Effective date <= delayed payment date
            - If an active Pre-note Registration record is found, do the following:
                i.   Create a pre-note 820 transaction record in the NACHA Pre-note file. This record will be created the same as in the CLM_ACH_BRD_01.COB program with the following exceptions:
                    - Deposit Amount = 0
                    - Trace ID = generated trace number with CCYYMMDDnnnn format, where:
                        CCYYMMDD = pre-note date
                        nnnn = sequential number (0001 = first record for a given day)
                ii. Print a line on the Pre-note Report.
                iii. Update the following HIPAA Request file fields:
                    - Pre-note Status = "W"
                    - Pre-note Status Date = today's date
                    - Pre-note Trace number = generated Trace ID

Note: The Pre-note transaction records will follow the same delayed date logic to calculate the payment date as the regular ACH Payment transaction records. See *ABC_ACH_PRG_01 Modifications* for more details.

3.5.1 ABC_ACH_PRG_30.COM New Command Procedure

A new command procedure will be created to run the Pre-note Creation program (ABC_ACH_BRD_30.COB). Since there is only one HIPAA Request file for all products, only one command procedure will be needed for all products.

When there are Pre-note records created for that day, the NACHA Pre-note file will be FTPed to the EDI Production directory. The EDI Translator process will translate this file to an X12 820 format file and send it to Bank of America. All Pre-note records will be flagged as production records by the Translator program.

If no Pre-notes are created for that day, then an empty NACHA Pre-note file will be FTPed to the EDI Production directory. The EDI Translator will not process the empty file.

3.6   ABC_ACH_PRG_01.COB Modifications

This program creates the 820 electronic payment records in the NACHA file. This program already splits the test and production transaction records into two separate files.

This program is modified to:

- Ignore Pre-note registration records in the HIPAA Request file. No paper or electronic check will be created using a Pre-note registration record.
- Add delayed date calculation logic (Bank holidays and weekends) when determining the payment/settlement dates. The following table shows the logic for calculating the payment and settlement date on a normal week with no holidays:

Table 1.1

Day of the Week	System Date Example	Days Delayed	Settlement Date	Settlement Day
Monday	02-13-2006	2	02-15-2006	Wednesday
Tuesday	02-14-2006	2	02-16-2006	Thursday
Wednesday	02-15-2006	2	02-17-2006	Friday
Thursday	02-16-2006	4	02-20-2006	Monday
Friday	02-17-2006	3	02-20-2006	Monday
Saturday	02-18-2006	2	02-20-2006	Monday
Sunday	02-19-2006	No Files on this day	NA	NA

The following table shows the logic for calculating the payment and settlement date on a week that has a holiday day:

Table 1.2

Day of the Week	System Date Example	Days Delayed	Day of the Holiday	Settlement Date	Settlement Day
Monday	02-13-2006	3	Tuesday	02-16-2006	Thursday
Tuesday	02-14-2006	3	Wednesday	02-17-2006	Friday
Wednesday	02-15-2006	5	Thursday	02-20-2006	Monday
Thursday	02-16-2006	4	Friday	02-20-2006	Monday
Friday	02-17-2006	3	Saturday	02-20-2006	Monday
Saturday	02-18-2006	3	Monday	02-21-2006	Tuesday
Sunday	02-19-2006	No Files	No Files	NA	NA

The BANK_CODE file contains the Days Delayed field for the sending bank (Bank of America). This field represents the minimum number of days that a payment should be delayed. The program currently uses this field to delay the payment date. The program will need to be modified to handle weekend and holiday delays:

1. For each electronic payment record created do the following payment date calculation:
   a) Payment date = today's date
   b) Payment date + days delayed (BANK_CODE)
   c) Read HOLIDAY_BANK Tables Master to check for holidays on or between today's and the Payment date.
      i. If record found, holiday day = 1.
      ii. Else, holiday day = 0.
   d) If holiday = 0 do normal week logic
      i. If Payment date is Monday, Tuesday, or Thursday, use the Payment date and skip to Step e.
      ii. Else
         I. Determine the date of the next Monday from today's date.
         II. Payment date = next Monday's date
         III. Read the HOLIDAY_BANK Tables Master to check if next Monday is a holiday.
            • If Monday is a holiday, add 1 day to the Payment date
      Else (holiday = 1) do holiday week logic
         i. Add 1 day to Payment date
         ii. If Payment date is Monday, Tuesday, or Friday, use Payment date and skip to Step e.
         iii. Determine the date of the next Monday from today's date.
         iv. If Payment date is Saturday, Settlement date = next Monday. Skip to Step e.
         v. Else (Sunday), Payment date = next Monday + 1 day
   e) Move Payment date to ACH transaction record.

> **Note:** Since the Pre-note, ACH and ERA creation programs use the same weekend and holiday logic, then it is recommended that a new holiday logic function be created for both of these programs to call.

- Accommodate the increased account number size. The following internal layouts will need to be modified to match the new HIPAA Request file layout:

  i. SORT_EXTRACT_Record
  ii. SUMRY_EXTRACT_Record
  iii. FETCHED_Supporting_Info

3.6.1 XXX_EDIDAILY02L.COM Modifications

These are the command procedures that run the ABC_ACH_EDI_23 program - where XXX is IND, POS, HMO or CSP. The following changes must take place in all four Claim systems:

The command procedure is modified to:

- FTP the Test NACHA file to a test directory where it will be picked up by the Translator.
- Delete the Test NACHA file from the ACH_DIR directory when done.

3.7   ABC_ACH_HPA_03.COB Modifications

This program creates the 835 electronic remittance advice records for providers who are ready to accept electronic payments. This program is run from the EDIDAILY_085.COM for all product lines.

This program is modified to:

- Read the current ACH Payment Registration record in the HIPAA Request file to retrieve the provider's bank account information. The
  a) The current ACH record is determined by:
     i. ACH Provider Id = RA Provider Id
     ii. ACH Source flag = RA Source flag
     iii. ACH Suffix = RA Suffix
     iv. ACH Tran Id = '820'
     v. ACH Tst flag = RA Tst flag
     vi. ACH Effective date <= today's date
     vii. ACH Expiration date >= today's date
  b) If ACH Payment Registration record found, when writing the header record, do the following:
     i. 835_HDR_RCVR_ACCT_QULFR = HIPAA Account Type
     ii. 835_HDR_RCVR_BANK_ID = HIPAA Transit No

           iii.   835_HDR_RCVR_ACCT_NO = HIPAA Account number
           iv.   Create an ERA transaction record.
     c) Else write error to Report file

- Add delayed date logic when determining the Settlement date. See *ABC_ACH_PRG_01 Modifications* for more details.

3.7   ABC_ACH_HPA_PRG_04.COB Modifications

This program creates the 835 HIPAA Remittance Advice from the sorted file created in the ABC_ACH_HPA_03 program. Since the Test and Production files will be split so will the report files.

This program is modified to:

- Split out the Test and Production ERA transaction records into two separate files.
  - a) Initialize Test accumulators.
  - b) Open Test Report file.
  - c) For each record read, check the record type.
  - d) If the record type = 'HDR', then check the 835_HDR_USAGE_IND flag.
    - i. If 835_HDR_USAGE_IND flag = 'P', set output file flag to Production
    - ii. Else set output file flag to Test
  - e) When writing the ERA transaction record, check the output file flag
    - i. If Production,
      - I.   Write to the Production ERA file
      - II. Write to Production Report file
      - III. Add to Production accumulators
    - IV. Else, check to see if first Test record
      - I.   If first one,
        - ♦ Open Test ERA file
      - II. Write to the Test ERA File
      - III. Write to Test Report file
      - IV. Add to Test accumulators
  - f) At end,
    - i. Close the Test ERA file if opened.
    - ii. Write Test totals to the Test Report file.
    - iii. Close Test Report file.

3.7.1 EDIDAILY_085.COM Modifications

This command procedure runs the ABC_HPA_ERA_01 program that creates the ERA files. There is only one command procedure to run all of the product lines. This job will be modified to:

- Before the ABC_HPA_ERA_01 program is run define logical for the Test Report file for HMO, POS, IND, and CSP.
- After the ERA files are created, rename Test ERA if it exists for HMO, POS, IND, and CSP.
- After the ERA files are created, rename the Test Report file for HMO, POS, IND, and CSP.
- Add logic to FTP the Test ERA file if it exists for HMO, POS, IND, and CSP to the editst.abcare.com directory where it can be run through the Translator separate from the Production ERA files.

3.8   Other System Requirements

The EDI Team will need to make modifications to their system:

1. Push the Test ERA files through the Translator process.
2. Copy the translated Test ERA files to the following EDI Business directory:

    \\ABCVS01\DATA12\EDI\CA_EDI_Reports\EDI_835_TEST

3. Push the Test NACHA files through the Translator process.
4. Copy the translated Test NACHA files to the following EDI Business directory:

    \\ABCVS01\DATA12\EDI\CA_EDI_Reports\EDI_820_TEST