



## **Healthcare Transactions and Remittance Processing**

### **Proposed Modifications to the Rules**

March 12, 2012

#### **ARTICLE TWO – RIGHTS AND RESPONSIBILITIES OF ODFIS, THEIR ORIGINATORS AND THIRD-PARTY SENDERS**

##### **SUBSECTION 2.5.3 Specific Provisions for CCD Entries (Corporate Credit or Debit Entry)**

###### **SUBSECTION 2.5.3.1 General Rule for CCD Entries**

A CCD Entry is originated by an Organization to or from the account of that Organization or another Organization. A CCD Entry may be a credit Entry or a debit Entry, and may provide payment related information in one Addenda Record. A CCD Entry may also be a Non-Monetary Entry that carries payment related information in one Addenda Record.

**A CCD Entry that is a Healthcare EFT Transaction must include one Addenda Record to convey required healthcare payment related information.**

#### **ARTICLE THREE – RIGHTS AND RESPONSIBILITIES OF RDFIS AND THEIR RECEIVERS**

##### **Subsection 3.1.5.3 RDFI Must Provide Payment-Related Information to Receivers of CCD, CTX, CIE and IAT Entries to Non-Consumer Accounts**

Upon the request of a Receiver, an RDFI must provide to the Receiver all information contained within the Payment Related Information field of an Addenda Record(s) Transmitted with a CCD **Entry (that is not a Healthcare EFT Transaction)** or CTX Entry, or a CIE or IAT Entry to a non-Consumer Account. The RDFI must provide this information by the opening of business on the RDFI's second Banking Day following the Settlement Date of the Entry.

Subsection 3.1.5.4 RDFI Must Report CORE-required Minimum CCD+ Reassociation Data Elements to Receivers

**OPTION #1 (proactive, electronic delivery within 2 banking days of settlement)**

An RDFI must provide or make available to a Healthcare Provider the CORE-required Minimum CCD+ Reassociation Data Elements contained within a Healthcare EFT Transaction.

The RDFI must provide this information (or make it available) to the Healthcare Provider electronically via secure, online access to the Healthcare Provider's account or via a secure, online report. The RDFI must use a commercially reasonable technology for the online account access or report that provides a level of security that, at a minimum, is equivalent to 128-bit RC4 encryption technology.

The RDFI must provide or make such information available to the Healthcare Provider by the opening of business on the RDFI's second Banking Day following the Settlement Date of the Entry.

**OPTION #2 (electronic delivery within 2 banking days of settlement, upon Provider's request)**

An RDFI must provide or make available to a Healthcare Provider, upon request, the CORE-required Minimum CCD+ Reassociation Data Elements contained within a Healthcare EFT Transaction.

The RDFI must provide this information (or make it available) to the Healthcare Provider electronically via secure, online access to the Healthcare Provider's account or via a secure, online report. The RDFI must use a commercially reasonable technology for the online account access or report that provides a level of security that, at a minimum, is equivalent to 128-bit RC4 encryption technology.

The RDFI must provide or make such information available to the Healthcare Provider by the opening of business on the RDFI's second Banking Day following the Settlement Date of the Entry.

**OPTION #3 (proactive delivery within 2 banking days of settlement, no manner of delivery defined)**

An RDFI must provide or make available to a Healthcare Provider the CORE-required Minimum CCD+ Reassociation Data Elements contained within a Healthcare EFT Transaction. The RDFI must provide or make such information available to the Healthcare Provider by the opening of business on the RDFI's second Banking Day following the Settlement Date of the Entry.

**ARTICLE EIGHT – DEFINITIONS OF TERMS USED IN THESE RULES**

**Section 8.19 “CORE-required Minimum CCD+ Reassociation Data Elements”**

information transmitted by a Health Plan to a Healthcare Provider for the purpose of reassociating a Healthcare EFT Transaction with an electronic remittance advice. The CORE-required Minimum CCD+ Reassociation Data Elements include the information contained within the Effective Entry Date field, the Amount field, and the Payment Related Information Field of the CCD Entry.

**Section 8.44 “Health Plan”**

an Individual or group plan that provides, or pays the cost of, medical care as defined by HIPAA Part II, 45 CFR 160.103.

**Section 8.45 “Healthcare EFT Transaction”**

a CCD entry originated by a Health Plan to a Health Care Provider for reimbursement of healthcare claims. A Healthcare EFT Transaction must be accompanied by one Addenda Record that contains the ANSI ASC X12 TRN (Reassociation Trace Number) data segment in the Payment Related Information field.

**Section 8.46 “Healthcare Provider”**

as defined in HIPAA Part II, 45 CFR 160.103, a provider of services (as defined in section 1861(u) of the Act, 42 U.S.C. 1395x (u)), a provider of medical or health services (as defined in section 1861(s) of the Act, 42 U.S.C. 1395x(s)), and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business.

**APPENDIX ONE – ACH FILE EXCHANGE SPECIFICATIONS**

**PART 1.2 Data Specifications for ACH Records**

The following table shows the data specifications for ACH Records.

| TYPE OF FIELD           | ALPHABETIC/<br>ALPHAMERIC   | NUMERIC |
|-------------------------|---|---------|
| <b>Valid Characters</b> | 0-9, A-Z, a-z, space, EBCDIC values greater than hexadecimal “3F”, ASCII values greater than hexadecimal “1F” | 0-9     |
| <b>Justification</b>    | Left  | Right   |

| TYPE OF FIELD        | ALPHABETIC/<br>ALPHAMERIC  | NUMERIC  |
|----------------------|--|--|
| Empty Field Handling | Space filled   | Zero filled  |
| Special Notes        | Certain fields require the use of UPPER CASE characters – see below. | Must be unsigned (Neither positive (+) or negative (-) signage.) |

UPPER CASE characters must be used for all of the following:

- all alphabetic characters within the Standard Entry Class Code field;
- all alphabetic characters within the File ID Modifier field;
- all alphabetic characters within the Change Code and Refused COR Code fields;
- all alphabetic characters within the Return Reason Code, Dishonored Return Reason Code, and Contested Dishonored Return Reason Code fields;
- Company Entry Description fields containing the words “REVERSAL,” “RECLAIM,” “NONSETTLED,” “AUTOENROLL” (for ENR entries), “REDEPCHECK” (for RCK entries), and “NO CHECK” (for XCK entries); **“HCCLAIMPMT” (for Healthcare EFT Transactions), “RXCLAIMPMT” (for Healthcare EFT Transactions),** and
- Company Name fields containing the words “CHECK DESTROYED” (for XCK entries).

## APPENDIX THREE – ACH RECORD FORMAT SPECIFICATIONS

### Subpart 3.2.2 – Glossary of Data Elements

**Addenda Record Indicator:** 1 Position - Entry Detail Record and Corporate Entry Detail Record – Mandatory (ACK, ADV, ARC, ATX, BOC, CCD, CIE, CTX, DNE, ENR, IAT, MTE, POP, POS, PPD, RCK, SHR, TEL, TRC, TRX, WEB, XCK, refused ACK, refused ATX, Returns, dishonored Returns, contested dishonored Returns, COR, refused COR)

This field indicates the existence of an Addenda Record.

*Code Values:*

- 0 No Addenda Record follows the Entry
- 1 One or more Addenda Records follow the Entry

**CCD: When used for a Healthcare EFT Transaction, the value of this field must be “1.”**

*IAT:* The value of this field for all IAT Entries, including IAT Prenotification Entries, will always be “1.”

*Zero dollar CCD, CTX, and IAT Entries, Notification of Change, Refused Notification of Change, Return, Dishonored Return, Contested Dishonored Return, DNE, ENR, MTE, POS, SHR, and TRX Entries:* The value of this field will always be “1”. This is not applicable to MTE, POS, SHR, or TRX Prenotifications.

**Company Entry Description:** 10 Positions – Company/Batch Header Record – Mandatory (all batches)

The Originator establishes the value of this field to provide the Receiver with a description of the purpose of the Entry. For example, “Gas bill,” “Reg. Salary,” “ins. prem.,” “Soc. Sec.,” “DTC,” “Trade Pay,” “PURCHASE,” etc.

This field must contain the word “REVERSAL” when the batch contains Reversing Entries.

This field must contain the word “RECLAIM” when the batch contains Reclamation Entries.

This field must contain the words “RETURN FEE” when the batch contains Return Fee Entries.

This field must contain the word “NONSETTLED” when the batch contains Entries that could not settle.

*ADV:* The Originator, i.e., the Originating ACH Operator, uses this field to describe to the institution receiving the ADV File the type of activity to which the accounting information relates.

**CCD:** When used for Healthcare EFT Transactions, this field must contain either (1) the word “HCCLAIMPMT” when the batch contains transactions for healthcare claim payments, or (2) the word “RXCLAIMPMT” when the batch contains healthcare claim payments to retail pharmacies .

*ENR:* This field must contain the word “AUTOENROLL” when the batch contains Automated Enrollment Entries.

*RCK:* This field must contain the word “REDEPCHECK”.

*TRX:* This field contains the routing number of the keeper.

*XCK:* This field must contain the words “NO CHECK”.

**Company Name:** 16 Positions – Company/Batch Header Record – Mandatory (all batches except IAT)

This field identifies the source of the Entry and is used for descriptive purposes for the Receiver. Except as otherwise noted below, this field must contain the name by which the Originator is known to and readily recognized by the Receiver of the Entry.

In a transaction in which the Originator of a debit Entry is not the payee of the transaction (the party to which payment is ultimately being directed), the Company Name field of the debit Entry must contain the name by which the payee is known to and readily recognized by the Receiver of the Entry. In a transaction in which the Originator of a credit Entry is not the payor of the transaction (the party from which payment is ultimately being directed), the Company Name field of the credit Entry must contain the name by which the payor is known to and readily recognized by the Receiver of the Entry.

For Return Fee Entries, this field must contain the same name of the Originator as identified in the Company Name field of the underlying Entry. For a Return Fee Entry based on the return of a Check, the Company Name field must contain the name of the payee of the Check.

*ADV:* The ACH Operator is both the Originator and the ODFI. The ACH Operator originating the ADV File identifies itself by name in this field.

*ARC, BOC:* This field identifies the payee of the Eligible Source Document or the payee name indicated on the bill or invoice.

*CCD:* For a Healthcare EFT Transaction, this field must contain the name of the Health Plan originating the Entry, or, where the organization is self-insured, the name of the Health Plan's third-party administrator that is recognized by the Healthcare Provider and to which the Healthcare Provider submits its claims.

*CIE:* This field contains the bill payment service provider's name.

*MTE:* This field identifies the owner of the terminal where the transaction was initiated.

*POP, POS, SHR:* This field identifies the merchant with whom the Receiver initiated the transaction.

*RCK:* This field identifies the Originator of the RCK Entry, which is the original payee on the face of the Check.

*TRC:* This field identifies the name of the keeper.

*XCK:* This field must contain the words "CHECK DESTROYED" (left justified).

**Healthcare EFT Transaction Flag – Option #1 (Entry Level Indicator)**

**Discretionary Data:** 2 Positions – Entry Detail Record, Corporate Entry Detail Record – Optional (ACK, ADV, ARC, ATX, BOC, CCD, CIE, CTX, DNE, MTE, POP, PPD, RCK, XCK, Returns, dishonored Returns, contested dishonored Returns, COR, refused COR)

This field in the Entry Detail Record allows ODFIs to include codes, of significance to them, to enable specialized handling of the Entry. There is no standardized interpretation for the value of this field. It can either be a single two-character code, or two distinct one-character codes, according to the needs of the ODFI and/or Originator involved. This field must be returned intact for any returned Entry.

*CCD, CTX:* When an Acknowledgment Entry is requested by an Originator, this field contains “AK”. **For a Healthcare EFT Transaction, this field must contain the value “HX.”**

**Healthcare EFT Transaction Flag – Option #2 (Batch Level Indicator)**

**Originator Status Code:** 1 Position – Company/Batch Header Record – Mandatory (all batches)

This code refers to the ODFI initiating the Entry.

*Code Values:*

- 0 ADV File prepared by an ACH Operator.
- 1 This code identifies the **Originator ODFI** as a **depository financial institution non-Federal Government entity or agency.**
- 2 This code identifies the **Originator ODFI** as a Federal Government entity or agency.
- 3 **This code identifies the ODFI of a Healthcare EFT Transaction as a non-Federal Government entity or agency.**
- 4 **This code identifies the ODFI of a Healthcare EFT Transaction as a Federal Government entity or agency.**

**ADV:** This field must contain “0”.

**Payment Related Information:** 80 Positions – Addenda Record – Optional (ACK, ATX, CCD, CIE, CTX, DNE, ENR, IAT, PPD, TRX, WEB)

In the Addenda Records of ACK, ATX, CCD, CIE, ENR, IAT, PPD, and WEB Entries, an asterisk (“\*”) must be used as the delimiter between the data elements, and the backslash (“\”) must be used as the terminator between the data segments.

*ACK, ATX:* This field contains the ANSI ASC X12 REF (Reference) data segment. This REF segment is used to convey the Identification Number contained within the original CCD or CTX Entry, and/or other information of significance to the Originator.

*CCD, PPD, WEB:* Addenda Records contain payment related ANSI ASC X12 data segments or NACHA endorsed banking conventions (i.e., Tax Payment, Child Support, or Electronic Dealer Drafting). For CCD Entries that are Healthcare EFT Transactions, this field must contain the ANSI ASC X12 TRN (Reassociation Trace Number) data segment, which conveys the Reassociation Trace Number used by the Healthcare Provider to match the payment to remittance data.

For Example: TRN\*1\*12345\*1512345678\*999999999\

*CIE:* This field contains payment related ANSI ASC X12 data segments to further identify the payment or Transmit additional remittance information.

For Example:

N1\*BT\*JohnDoe\N3\*12MainStreet\N4\*21070\

*CTX:* This field contains information formatted in accordance with the syntax of ANSI ASC X12.5 and X12.6, an ASC X12 transaction set containing a BPR or BPS data segment, or payment related UN/EDIFACT syntax.

ANSI ASC X12.5 (“Interchange Control Structure”) means the standard to define the control structures for the electronic interchange of business transactions encoded in ASC X12-based syntax. This standard provides the interchange envelope of a header and trailer for the electronic interchange through a data transmission, a structure to acknowledge the receipt and processing of this envelope, and optional, interchange-level service request structures.

ANSI ASC X12.6 (“Application Control Structure”) means the standard used to define the structure of business transactions for computer-to-computer interchange. This structure is expressed using a symbolic representation of X12 data in terms of both the design and use of X12 structures, independent of the physical representation (e.g., character set encoding).

BPR or BPS Data Segment (“Beginning Segment for Payment Order/Remittance Advice”) means the beginning segment for the payment order/remittance advice used in ASC X12-based syntax to indicate the beginning of a payment-related transaction set that contains the necessary banking information to process the transaction.

*DNE:* Addenda Records contains the following NACHA endorsed banking convention starting in position 04:

DATE OF DEATH\*MMDDYY\*CUSTOMERSSN\*  
#####\*AMOUNT\*\$\$\$\$.cc\



The date of death always appears in positions 18-23. If the Social Security Number (SSN) is not available, positions 38-46 contain zeros. The amount of the expected beneficiary payment always begins in position 55.

*ENR*: This field contains the following NACHA endorsed banking convention:

All information in this field pertains to the account holder on whose behalf the Automated Enrollment Entry is initiated.

**SUBPART 3.1.8 Sequence of Records for CCD Entries**

**CCD ENTRY DETAIL RECORD**

| FIELD                       | 1                | 2                | 3                            | 4           | 5                  | 6                  | 7                     | 8                      | 9                         | 10                       | 11           |
|-----------------------------|------------------|------------------|------------------------------|-------------|--------------------|--------------------|-----------------------|------------------------|---------------------------|--------------------------|--------------|
| DATA ELEMENT NAME           | RECORD TYPE CODE | TRANSACTION CODE | RECEIVING DFI IDENTIFICATION | CHECK DIGIT | DFI ACCOUNT NUMBER | AMOUNT             | IDENTIFICATION NUMBER | RECEIVING COMPANY NAME | DISCRETIONARY DATA        | ADDENDA RECORD INDICATOR | TRACE NUMBER |
| Field Inclusion Requirement | M                | M                | M                            | M           | R                  | M                  | O                     | R                      | O                         | M                        | M            |
| Contents                    | '6'              | Numeric          | TTTTAAAA                     | Numeric     | Alphanumeric       | \$\$\$\$\$\$\$\$cc | Alphanumeric          | Alphanumeric           | Alphanumeric <sup>1</sup> | Numeric <sup>2</sup>     | Numeric      |
| Length                      | 1                | 2                | 8                            | 1           | 17                 | 10                 | 15                    | 22                     | 2                         | 1                        | 15           |
| Position                    | 01-01            | 02-03            | 04-11                        | 12-12       | 13-29              | 30-39              | 40-54                 | 55-76                  | 77-78                     | 79-79                    | 80-94        |

**CCD ADDENDA RECORD**

| FIELD                       | 1                | 2                 | 3                           | 4                       | 5                            |
|-----------------------------|------------------|-------------------|-----------------------------|-------------------------|------------------------------|
| DATA ELEMENT NAME           | RECORD TYPE CODE | ADDENDA TYPE CODE | PAYMENT RELATED INFORMATION | ADDENDA SEQUENCE NUMBER | ENTRY DETAIL SEQUENCE NUMBER |
| Field Inclusion Requirement | M                | M                 | O                           | M                       | M                            |
| Contents                    | '7'              | '05'              | Alphanumeric <sup>3</sup>   | Numeric                 | Numeric                      |
| Length                      | 1                | 2                 | 80                          | 4                       | 7                            |
| Position                    | 01-01            | 02-03             | 04-83                       | 84-87                   | 88-94                        |

1. For Healthcare EFT Transactions, the Discretionary Data Field of the CCD Entry must always contain the value "HX."  
 2. For Healthcare EFT Transactions, the Addenda Record Indicator of the CCD Entry must always contain a value of "L."  
 3. For Healthcare EFT Transactions, the Payment Related Information Field of the CCD Entry must always contain the ANSI ASC X12 TRN (Reassociation Number) data segment.