

Regulatory Update
Workers' Compensation Information System
WCIS Advisory Committee
October 24, 2016

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Regulatory Update

- California EDI Implementation Guide for Medical Bill Payment Records, Version 2.0
- California EDI Implementation Guide for First and Subsequent Reports of Injury, Versions 3.0 & 3.1
- Administrative Penalties

Medical Billing Data

- California EDI Implementation Guide for Medical Bill Payment Records, Version 2.0 was updated in April 2015 to reflect and be consistent with requirements in IAIABC's Workers' Compensation Medical Bill Data Reporting Implementation Guide, Release 2.0 (dated February 1, 2014).
- California EDI Implementation Guide for Medical Bill Payment Records, Version 2.0 is being further updated to reflect and be consistent with requirements in IAIABC's Workers' Compensation Medical Bill Data Reporting Implementation Guide, Release 2.0 (dated February 1, 2015).
- Title 8, California Code of Regulations sections 9701 and 9702 are being simultaneously updated to reflect and be consistent with new EDI reporting requirements.

Medical Billing Data

- The current updates to the Medical Billing Guide are being accomplished in the same rulemaking as the updates to Medical Data Reporting. We anticipate the current rulemaking update to be complete by the end of 2016.
- However, the changes will not take effect until six months following filing of the regulations with the Secretary of State.

First Report & Subsequent Reports of Injury

- California EDI Implementation Guide for First and Subsequent Reports of Injury, Version 3.0 was released on November 1, 2011.
- WCIS is in the process of updating the EDI Implementation Guide for First and Subsequent Reports of Injury to Version 3.1, and 8 C.C.R. section 9701 and 9702.

First Report & Subsequent Reports of Injury

- The current updates to the FROI/SROI Guide are being accomplished in the same rulemaking as the updates to Medical Data Reporting. We anticipate the rulemaking being complete by the end of 2016.
- However, the changes will not take effect until 12 months following filing of the regulations with the Secretary of State.

Administrative Penalties

- Labor Code section 138.6 requires DWC to:
 - Assess administrative penalties for WCIS data reporting violations by claims administrators.
 - Promulgate a schedule of penalties against a claims administrator in any given year.

Administrative Penalties

- no more than \$100 per violation when a report is not submitted or not accepted.
- no more than \$50 per violation for violations involving errors or late filings.
- Penalties were capped at \$5,000 per year per claims administrator. However, SB 1160 has increased that amount to \$10,000 per year.

Administrative Penalties

- The schedule of administrative penalties will also establish threshold rates for violations that shall be excluded from the calculation of penalty assessments.
 - Threshold rates cannot be less than 3% of the reports filed by the claims administrator.
 - Higher thresholds rates for may be set for data elements that commonly are not reasonably available.

Administrative Penalties

- Penalties collected pursuant to this penalty schedule shall be deposited in the Workers' Compensation Revolving Fund.
- DWC Office of the Administrative Director shall publish an annual report on the compliance rates of claims administrators, which will be published on DWC's website.