

Criteria for Timely filing of Edi Claims/Proof of Coverage

EDI Timely Filing Documentation

As of September 1, 2011, the Kentucky DWC will be reviewing the files of the 00 Originals, Suspensions and the Initial Payments as before for timely filing. The Kentucky Department of Workers' Claims will begin assessing penalties for timeliness on Bimonthly EDI Claims MTC codes as well as timeliness on Proof of Coverage submittals. The penalty phase will begin July 1, 2012. If you have any questions, please do not hesitate to contact Cam Lawson at 502-782-4486 or via email at HowardC.Lawson@ky.gov.

Timely Filing of Under Investigation

Timely Filing of UI shall use the following criteria:

There are 30 days to utilize the UI MTC Code. After that initial 30 days, the timely filing for 00, 04 or AU/AQ kicks in and the timeframe below applies. For example, a UI is reported to DWC on 6/1/2011. A FROI would be expected and timely if reported by July 10, 2011 (40 Days).

Timely Filing of 00 Originals and 04 Denials

Timely Filing of 00s and 04s shall use the following criteria:

<=10 days between Employer Report Date and Date Received by DWC = Timely

11-25 days between Employer Report Date and Date Received by DWC = Untimely without

Penalty >=26 days between Employer Report Date and Date Received by DWC = Penalty

Timely Filing of Suspensions

Timely Filing of Suspensions shall use the following criteria:

<8 days between Benefit Period Through Date and Date Received by DWC = Timely

8-21 days between Benefit Period Through Date and Date Received by DWC = Untimely without

Penalty >=22 days between Benefit Period Through Date and Date Received by DWC = Penalty

Timely Filing of Initial Payments

Timely Filing of Initial Payments shall use the following criteria:

<15 days between Benefit Period Start Date and Date Received by DWC = Timely

15-21 days between Benefit Period Start Date and Date Received by DWC = Untimely without

Penalty >=22 days between Benefit Period Start Date and Date Received by DWC = Penalty

*****Scrutiny upon the timeliness of filings was reinstated on September 1, 2011 after everyone became acclimated to EDI Claims Release 3.0.**

BiMonthly Filing and Proof of Coverage Criteria

Bimonthly Filing Criteria

Per KRS 342.038(5)if the disability extends beyond a period of sixty (60) days, then also at the expiration of that period, the employer shall make a supplementary report to the executive director...

Timely Filing of BMs shall use the following criteria:

<=70 days between benefit period start date and date BM received by DWC - Timely
71-85 days between benefit period start date and date BM received by DWC –Untimely without penalty
>=86 days between benefit period start date and date BM received by DWC – Penalty

Proof of Coverage Criteria

KRS 342.340 States that proof must be filed within 10 days after issuance of policy, endorsement to a policy of similar documentation of coverage, so:

<= 10 days between policy effective date (DN0029) and jurisdiction designee received date (DN 0302)---
Timely
11-25 days between policy effective date (DN0029) and jurisdiction designee received date (DN 0302)---
Untimely without penalty
>=26 days between policy effective date (DN0029) and jurisdiction designee received date (DN 0302)----
Penalty

BiMonthly Reports – Frequently Asked Questions

1) When is a bimonthly filing necessary? Per KRS 342.038(5)...if the disability extends beyond a period of sixty (60) days, then also at the expiration of that period, the employer shall make a supplementary report to the executive director.

2) What are the penalty exposure amounts for the SROI Bimonthly MTC? According to KRS 342.990(7)(a) any employer, insurer, or payment obligor subject to this chapter who fails to make a report required by KRS 342.038 within fifteen (15) days from the date it was due, shall be fined not less than one hundred (\$100) nor more than one thousand dollars (\$1000) for each offense.

3) If indemnity has never been paid on a claim, would we be required to file a BM MTC report on claims that are open for Medical Only? No

4) If ongoing payments are being made that end during the Bimonthly period, will this be reported as a S(xx)? Yes. If benefits are exhausted, no further bimonthly reports are due.

5) The notice we received states the penalty phase will begin on 7/1/12. Will you be going back to assess fines for past due reports that were late filed or will this simply be going forward from the July 1 date? Any claim that was established under EDI Claims Release 3.0 in which benefits are being paid beyond a 60 day period, a Bimonthly report should be submitted.

6) Who determines the amount of the fine? The penalties that will be assessed are determined by the Commissioner of the DWC.

One last note: The information that was placed on the web site originally is being altered after discussions with several of the carriers. **It was determined that we would utilize the Benefit Period Start Date on the BM and the date the BM is received by the DWC to determine timeliness.** This has been updated on the web site. See below:

Timely Filing of Bimonthly Reports shall use the following criteria:

<=70 days between benefit period start date (on the BM) and date BM received by DWC - Timely
71-85 days between benefit period start date (on the BM) and date BM received by DWC –Untimely without penalty

>=86 days between benefit period start date (on BM) and date BM received by DWC – Penalty