

State of New Hampshire
Division of Workers' Compensation
EDI Implementation Guide
for
First Report of Injury

September 2006

(Updated March 2014 and May 2015)



NEW HAMPSHIRE DEPARTMENT OF LABOR

JAMES CRAIG - COMMISSIONER

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DIVISION OF WORKERS' COMPENSATION

January 12, 2006

Dear Claims Administrators:

Welcome to Electronic Data Interchange (EDI). The New Hampshire Department of Labor, Division of Workers' Compensation is pleased to introduce its system for receiving workers' compensation first reports of injury data via EDI. This data will be integrated with other data to make up our Workers' Compensation Information System, which will become a rich resource for analyzing the performance of New Hampshire's workers' compensation system.

This manual, the *State of New Hampshire Department of Labor, Division of Workers' Compensation EDI Implementation Guide for First Reports of Injury*, is intended to be a primary resource for the organizations that will become the Division's claims administrators for New Hampshire workers' compensation claims – "Trading Partners".

Some organizations already have substantial experience with EDI, and transmit data to workers' compensation agencies in many states. For them, this *Implementation Guide* can serve as a reference for New Hampshire-specific protocols. While we have adhered to national EDI standards, New Hampshire's implementation does have minor differences from other states.

The *Implementation Guide* also includes background information for organizations new to EDI. If your organization is just getting started, the "Overview of EDI" and the "Managers' Guide" are for you. You will also find numerous valuable resource materials.

This *Implementation Guide* will be posted on our Web site at <http://www.nh.gov/labor/workers-comp/electronic-data/downloads.htm>

We hope that the start-up of EDI data reporting in New Hampshire will be as smooth and as painless as possible, both for the Division and for our EDI trading partners. New Hampshire, Department of Labor, Division of Workers' Compensation is dedicated to full, open communication as a cornerstone of a successful start-up process, and this *Implementation Guide* is a key element of that communication.

Sincerely,

Henry J. Vincent
EDI Project Manager

State of New Hampshire
Department of Labor
Division of Workers' Compensation

EDI IMPLEMENTATION GUIDE
FOR
FIRST REPORTS OF INJURY

January 2012

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EDI – Electronic Data Interchange

Electronic Data Interchange (EDI) is the computer-to-computer exchange of data or information in a standardized format. In workers' compensation, EDI refers to the electronic transmission of claims information from claims administrators (insurers, self-insured employers, and third party administrators) to a State Workers' Compensation Agency.

Data are transmitted in a format standardized by the International Association of Industrial Accident Boards and Commissions (IAIABC). The IAIABC is a professional association of workers' compensation specialists from the public and private sectors and has spearheaded the introduction of EDI in workers' compensation. For further details, see Section O–IAIABC Information. All collected data elements are reviewed for valid and standardized business definitions and formats.

Benefits of EDI within Workers' Compensation

- **Allows state agencies to respond to policy makers' questions regarding their state programs**

EDI allows states to evaluate the effectiveness and efficiency of their workers' compensation system by providing comprehensive and readily accessible information on all claims. This information can then be made available to state policy makers considering any changes to the system.

- **Avoids costs in paper handling-**

EDI reduces costs in the processing of paper documents for the claims administrator and the jurisdiction: mail processing costs, duplicated data entry costs, shipping, filing and storage costs.

- **Increases data quality**

EDI has built-in data quality checking procedures that are triggered when data are received by the state agency. Many claims administrators choose to replicate these data-checking procedures to reduce the cost of data correction.

- **Simplifies reporting requirements for multi-state insurers**

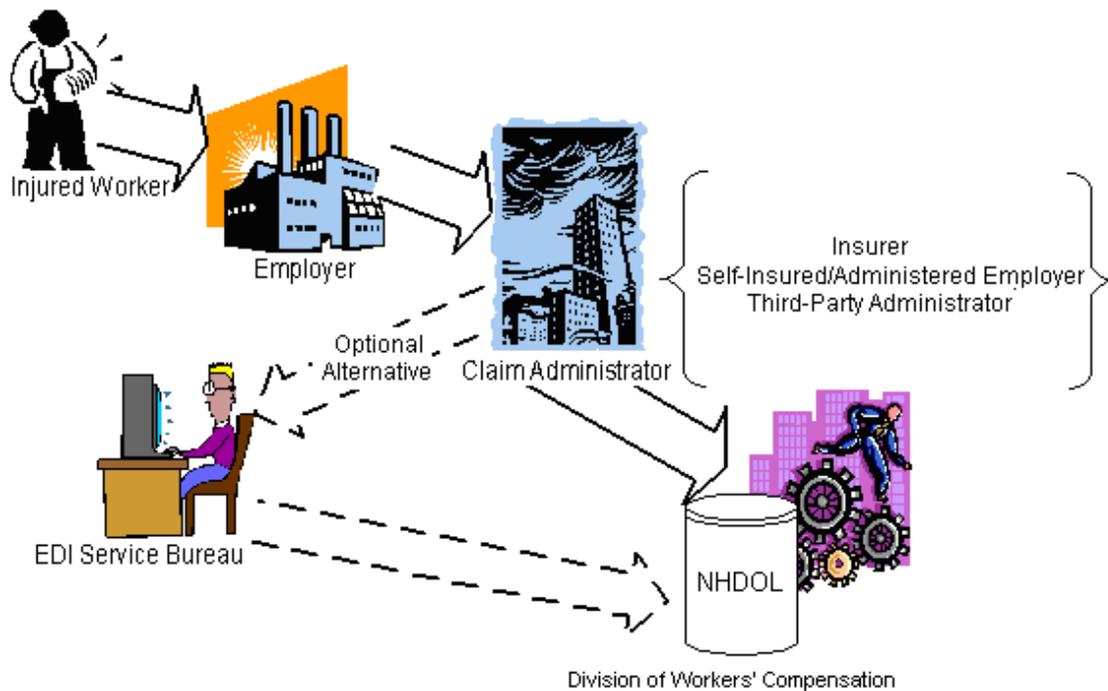
EDI helps claims administrators cut costs by having a single system for internal data management and reporting.

Sending Data to the NHDOL

Workers' compensation claims are handled by diverse organizations: large multi-state insurance companies, smaller specialty insurance carriers, self-insured employers, and third-party administrators handling claims on behalf of insured and self-insured employers. These organizations have different information systems and capabilities. The NHDOL EDI process has been designed to be flexible in the support of a variety of EDI systems.

There are three methods of transmitting data from claim administrators to NHDOL. They are: secure Internet e-mail attachments, commercially owned Value Added Networks (VANs), and File Transfer Protocol (FTP). The NHDOL is supporting a file format, known as IAIABC Release 3, a "flat-file" format. This method is described more fully in Section H–File Formats and Supported Transactions and Section I–Transmission Modes.

Claim administrators can avoid the details of EDI by selecting among several firms that sell EDI-related software products, consulting, and related services.



The Three Step Process of EDI--From Testing to Production

Full production EDI reporting status is a three step process. Each step of the process is described in more detail in Section G--Test and Production Phases of EDI. These steps should be repeated each time the claims administrator is ready to move into a new transaction type, i.e., the First Reports and Subsequent Reports.

Step 1: EDI Trading Partner Profile

The claims administrator first provides an EDI Trading Partner Profile to the Division at least 30 (thirty) days before its first submission of EDI data. The Trading Partner Profile form is provided in Section F--Trading Partner Profile. The Trading Partner Profile is used to prepare NHDOL for your data transmission: what file format to expect, where to send an acknowledgement, and similar information. The trading partner also completes a Sender's transmission profile sheet presenting detailed information about the transmission. We also require a list of insurers a trading partner will be sending data for as well as a location list of the administrators that will be sending data.

Step 2: Testing

The claims administrator runs a preliminary test by transmitting a test file to ensure that the NHDOL system can read and interpret the data. The claims administrator has passed the test when minimum technical requirements are met: NHDOL recognizes the sender, the file format is correct, and the claims administrator can receive electronic acknowledgements from NHDOL. During the Testing step, data submissions are analyzed for completeness, validity, and accuracy. The data should meet minimum data quality requirements in order to complete the Testing stage.

Step 3: Production

In Production, data transmissions will be monitored for completeness, validity, and accuracy. Each Trading Partner will be routinely monitored for their data quality. Those in Production status for EDI First Reports will no longer be required to send paper copies of the Employer's Report (Form 8WC) to Department of Labor Division of Workers' Compensation. You will be contacted should your data quality begin to fall out of our expected data quality standards.