

FAQs about Virginia's EDI Program

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EDI Program Information:

1. What is EDI?

EDI stands for Electronic Data Interchange and is the electronic exchange of information from one entity to another. For Workers' Compensation, it is the electronic exchange of workers' compensation claims data from a Claim Administrator to the Commission.

2. What is the IAIABC?

IAIABC stands for International Association of Industrial Accident Boards and Commissions. This organization developed the EDI standard for workers' compensation reporting. They are comprised of many committees made up of jurisdictions, providers, vendors and other stakeholders who help develop, implement, and promote the use of the standards for EDI reporting.

3. When did the Commission switch to EDI?

In 2006, the Commission began a research project to determine where we were with our claims processing system. We learned that we were behind the times in technology, our processes were insufficient, and we were not in line with industry trends. The recommendation was presented to the Commission to move to a paperless system and implement the IAIABC's EDI Release 3.0 standard for reporting workers' compensation claims. On October 1, 2008, the Commission went live with its new paperless system and the first phase of our EDI Program. All Claim Administrators were online and reporting via EDI by July 2009.

In 2021, the Commission decided to implement the IAIABC's EDI Release 3.1 standard for reporting workers' compensation claims and sent our Notice to Adopt 3.1 to the IAIABC in March of 2022. Moving to 3.1 allowed us to simplify processes and accept newly created data elements and maintenance type codes. On January 16, 2025, the Commission went live with the 3.1 Release.

4. Where in the Virginia Worker's Compensation Act does it give permission to require EDI?

16VAC30-91-20, Procedures for filing claims reports and § 65.2-902, Failure to make required reports; civil penalty

5. Why did the Commission decide to pull the proposed Awards Process regulations?

We heard from the insurance legal community that there were some jurisdictional constraints on the proposed procedures to do away with certain legal forms. Rather than risk agreement forms generated by EDI being undermined and potentially struck down, the Commission decided not to retire these agreement forms. Therefore, you will (via EDI) submit FROI and SROI reports, but you will also continue to submit paper agreement forms in cases where you make payments according to existing procedures. Agreement forms are NOT part of the forms previously retired.

6. How will Virginia receive claims reports?

The Virginia EDI initiative involves using a "clearinghouse" to collect reports from our customers, test the reports for accuracy, and forward them to the agency's databases. The Commission's vendor will perform this "clearinghouse" service. All EDI reports will first go to our vendor in an FTP, flat-file or XML format. Then the IAIABC Claims Release 3.1 edits, pursuant to the Virginia Implementation Guide, will be applied. The reports will then be sent to the Commission, and the submitter will receive an acknowledgement.

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7. How quickly will acknowledgements (AKCs) be sent back?

Within 24 hours.

8. Will there be TEs?

No, Virginia will only accept or reject transactions, we will not issue TEs.

9. What does the EDI message “waiting on acknowledgement of claim” mean?

This error means that you have not received the acknowledgement record for the transaction submitted to the VWC. The Commission's vendor sends the acknowledgement records on our behalf. If you have not received your acknowledgement record, then you should immediately contact EDI Support at edi.support@workcomp.virginia.gov so we can follow-up with our vendor. If the Acknowledgement contains a rejection, then it is because something was submitted incorrectly from the Claim Administrator. They should correct the mistake based on the error text contained in the acknowledgement.

10. Will the Commission continue to send the guide and claim for benefits form to the Claimant if you are notified of the injury from a FROI submission?

Yes, these notices will still be sent to the claimant.

11. Where can I find the list of Nature of Injury, Part of Body, and Cause of Injury Codes required for Virginia's EDI program?

Virginia will be using the WCIO Standard for these codes. You can find a link to the WCIO codes from the IAIABC website (www.iaiaabc.org).

12. Does Virginia utilize the NAICS Codes or SIC Codes?

Virginia will use NAICS national codes based on date of injury.

2007 NAICS codes for claims with a Date of Injury < 10/20/2014

2012 NAICS codes for claims with a Date of Injury > = 10/20/2014 and < 05/01/2017

2017 NAICS codes for claims with a Date of Injury > = 05/01/2017 and < 08/01/2022

2022 NAICS codes for claims with a Date of Injury > = 08/01/2022

13. Where can we find all the requirements for Virginia's EDI reporting?

All the requirements needed to submit EDI transactions to Virginia can be located on the EDI page of the Commission's website.

14. How can I request EDI Training for my company?

Email EDI Support at edi.support@workcomp.virginia.gov to request training. An EDI team member will get back to you requesting information on the content you wish the EDI Training to contain, who will attend and scheduling a date. If you have a preferred timeframe in which the training should occur, please provide that information in your original email. We typically schedule the training from 10 am ET to 12pm ET but can accommodate another time if one works better.

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15. Where can I find the EDI Training Aids?

Visit the Commission's EDI webpage at <https://www.workcomp.virginia.gov/content/edi-quality-assurance-department-edi> and the training aids can be located on the right-hand side.

Trading Partner Information:

1. Where can I find the Trading Partner Documents that are required to be approved to submit EDI to Virginia?

In August 2022, the Commission moved to a paperless system for all Trading Partner Information. An electronic Trading Partner Profile can be submitted at <https://wcs.iso.com/tp-register/login>. For additional information please see Training Aid # 16 - Trading Partner Registration on the EDI page of the Commission website and <https://vwcedi.info/reg-instructions>.

2. Who should complete and submit an electronic Trading Partner Profile?

Any entity that will be administering workers' compensation claims and sending electronic data via EDI to Virginia. For additional information please see Training Aid # 16 - Trading Partner Registration located on the EDI page of the Commission website.

3. Claim Administrator defined:

The legal name of the entity adjusting the claim. A Claim Administrator can either be a self-administered insurance carrier, self-administered self-insured employer, or a third-party administrator hired by an insurance company or self-insured employer to handle their workers' compensation claims.

4. If the claim administrator and/or the insurer name changes, but not the FEIN, how do we report it?

Changes to Claim Administrator or Insurer name or address should be submitted in writing to the Commission and your Trading Partner Profile should also be updated.

5. Is the method for filing the FROI & SROI transactions going to be the same regardless of how many non-minor claims you handle per year?

The number of non-minor claims determines if you will be required to submit your transactions using EDI or if you will be able to use a VWC provided web browser-based application. The timing and data requirements are identical regardless of the method of submission.

6. Our organization administers its own claims and has a very small volume of claims in Virginia; will we be expected to comply with the EDI Program requirements?

All organizations will be required to report electronically, either through EDI or through web-based submissions. If your organization reports on 100 or more "non-minor" claims annually, you must report via EDI. If you submit less than 100 "non-minor" claims annually, you have the option to submit through our web-based tool. If you are a Claim Administrator, your reporting requirements are based on what you report in total for all companies you represent.

7. Our organization uses a Claim Administrator for all claims handling and data reporting; how do our claims get filed via EDI?

An insurance carrier or self-insured organization who utilizes a Claim Administrator for reporting should see no impact, provided the organization continues to utilize the Claim Administrator's

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services for reporting. Ultimately, of course, it is the insurance carrier or self-insured organization that is responsible for compliance.

8. We are a self-insured entity, who administers its own workers' compensation claims. We want to continue to adjust our own claims, and also continue to fulfill our reporting requirements. Our volume indicates we will have to use EDI; what should we do?

You have several choices. You can build an EDI reporting system. If you choose to go this route, please know that Virginia is using industry-standard reporting formats, so if you report in other jurisdictions, this investment should be able to be leveraged elsewhere. You can also get assistance. There are third parties who assist with EDI transmissions to workers' compensation jurisdictions, who will also assist you for a fee, which is outside our control. Also, it is standard in the industry for third-party administrators (TPAs), in addition to EDI vendors, to perform EDI services for carrier and self-insured customers. The Commission is not promoting any particular vendor or TPA. On our Website, the Commission has posted a list of vendors who have successfully submitted EDI reports in an IAIABC format.

9. How will you have access if you are a Claim Administrator taking over claims from another Claim Administrator?

In EDI, you are required to report to us that you have taken over a claim. You will need to file an acquiring transaction that indicates that you have taken over the claim. Once this is filed and accepted, you will be able to see the history of what's happened to that claim using the Commission's WebFile system.

10. How can I be added to the list to ensure I obtain the important EDI updates and announcements?

Join the VWC EDI Mailing List. You can sign up for the Commission's EDI Distribution List at: <https://www.workcomp.virginia.gov/content/edi-quality-assurance-department-edi> . If your email address is already indicated on the Trading Partner Registration, you are automatically added.

11. Who is required to test in order to submit R3.1 EDI?

Vendors and Direct Submitters are required to test for R3.1. Entities that submit through a Vendor or Web Entry are not required to test. Once your vendor has been approved to submit in R3.1, you are approved to submit R3.1.

General EDI Reporting:

1. What accidents/injuries are required to be reported to the Commission via EDI?

All accidents, regardless of their severity, must be reported to the Commission and as of 10/1/2008, must be reported via EDI. For any claims with a date of injury prior to 10/1/2008, only those that are still considered open and active are required to be reported via EDI. Refer to the Event Table for definition of "Open/Active".

2. Will we be able to print the electronic form that is used to submit data?

This depends on how your organization handles the report submission. There is not a "form" for the data submission. The data that needs to be collected should be analyzed and submitted either directly out of your systems or submitted to a reporting service who then forwards it to

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the Commission. Depending on the reporting service, there are various ways of collecting the needed data—some have a web browser with questions that you answer.

3. Why are some of the FROI/SROI submissions rejecting?

As part of the EDI Release 3.1 standard implemented by the Commission, there is a list of requirements for each transaction submitted. If any of those requirements are not met, the transaction will be rejected, and the Claim Administrator will be required to resubmit. The requirements for each transaction can be located on the Commission's EDI webpage.

4. How can an EDI transaction be filed and yet VWC does not have it?

When an EDI transaction is submitted, it is initially sent to our vendor. The Commission receives the EDI transactions from the vendor every night. So, if a customer contacts the Commission the day the transaction was submitted, we will not have it in our system yet. If the customer is contacting us days later and is completely sure that an EDI transaction was submitted but they are advised by the Commission that there is no record of it, they should ask to speak to someone in the EDI Quality Assurance Department so we can investigate further. Many times, we have the transaction, but it is not visible in our system for other departments to see due to problems within the transaction. The EDI QA Department must research these transactions to resolve the issue prior to it being reflected in our system.

5. Will the Commission be able to enter more than one Claim Administrator for an individual employer or carrier?

The Commission does not track which Employers/Carriers use Claim Administrators, which Employer/Carriers do not use Claim Administrators, or which Claim Administrators handle each Employer/Carrier. One Claim Administrator will be assigned to each specific JCN pursuant to the EDI transaction(s) filed.

6. If our claim designation changes, how do we report it?

When a claim is transitioning from minor to non-minor status, the Injury Severity Type Code should change when the next transaction is due or with a FROI/SROI 02.

7. What does Virginia require for an accident that belongs to another jurisdiction but accidentally reported to Virginia?

You may or may not be subject to Virginia jurisdiction, depending on certain legal facts and conclusions--you should continue to consult your attorney to determine this. If your position is that you are subject to Virginia jurisdiction, then you must file appropriate EDI reports. If your position is that you are not subject to Virginia jurisdiction, then you are not required to file any Virginia EDI reports at this time; however, you may do so and indicate your denial for "no jurisdiction." Of course, the injured worker might not agree with this position and file a Virginia claim for the injury. If it is determined that you indeed were subject to Virginia jurisdiction, then you would at a minimum be required to "catch up" all appropriate EDI reports and may be subject to penalties for non-compliance.

8. How do I inform the VWC that we've closed the claim?

Virginia does not consider a claim closed unless there has been a full and final settlement and therefore, we do not require the Claim Administrator to notify us when they have closed their claim. Once you have completed payments in an indemnity claim and filed the suspension transaction, no further EDI is required unless the claimant later becomes entitled to additional

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medical or indemnity benefits, in which case the appropriate EDI transaction would be required. In medical only claims, your last transaction would be a QT to show the total paid to date. If no additional medical payments are made, no further EDI transactions are required. If additional medical is paid at a later time, you would follow-up with an additional QT transaction. If the claim was settled full and final, the last transaction would be a PY transaction.

9. What happens if multiple JCNs exist for the same injury?

When the Commission receives a paper notification of an injury and an EDI FROI has not been filed, we create a JCN for that injury. We then request a FROI and require that it contain the JCN we assigned. If a duplicate JCN is created because the FROI is submitted without the assigned JCN, a consolidation must be performed. The Commission uses different criteria to determine which JCN is used, and a letter is sent to all parties advising of the consolidation and any follow-up information or transactions that may be needed.

10. How do we transition R3.0 claims to the R3.1 standard?

To transition an existing claim previously reported in R3.0, a FROI UR (Update Report) should be filed in the R3.1 format. Only claims that fit the "Open/Active" Legacy Claim criteria will require the FROI UR. If a FROI UR (Upon Request) was submitted in R3.0 without a subsequent FROI 00, then a FROI UR (Update Report) is not required for R3.1. If payments were made and reported on a SROI transaction in release 3.0, a SROI UR will be required after the FROI UR is submitted and accepted. See the Event Table for additional details.

11. Are pre R3.1 injuries, whether already reported or not, required to be filed using the R3.1 standard?

Yes, any transaction that needs to be submitted to Virginia after January 15, 2025, must be submitted in the R3.1 standard format.

12. Should R3.1 files be sent Flat File or XML?

Virginia will allow both Flat File and XML. Our decision was to allow our Trading Partners to submit their preferred method of Flat File or XML and to not force a change to the way they submit.

If Flat File is the chosen method, it is important to note that all flat files will be converted to XML by the Commission's vendor and validated against the IAIABC R3.1 XSD prior to running the transactions through any of our normal edits and issuing an acknowledgment. If the files fail this validation, an email will be issued to the submitter indicating that the transactions failed validations and will be removed from further processing. The email will include the necessary information so the submitter will know what to fix. If this occurs, the transactions must be resubmitted once the corrections are made.

13. Open and Active Claim Definition:

An "open/active" claim is a claim with any of the following occurring within the last 5 years:

- o Open Award
- o Payment currently being made for any benefit (indemnity or medical)
- o Current Denial/Dispute
- o Claim for Benefits filed by Claimant

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- o Inactive claim where any of the above occur

Exception 1: If there was a full and final settlement issued and an accepted PY filed by the prior claim admin reporting the payments for that full and final settlement, then that JCN would not require an AQ at the time of the acquisition even if it was active within the last 5 years. Should it later become active, the AQ would be required.

Exception 2: If there was a full and final settlement issued and an accepted PY that reported the payments for that full and final settlement, then that JCN would no longer be considered open and active and would not require reporting of the FROI and SROI UR for legacy claims. Should it later become active, the UR would be required.

FROI Reporting:

1. Will a FROI generate a "Notification of Injury" letter?

Yes, a FROI will generate a "Notification of Injury" letter.

2. How should we report any changes to the FROI data previously reported to the Commission?

Refer to the Element Requirement Table. The Element Requirement Table indicates if a FROI 02 is required to update the data element or if it can be updated on the next FROI or SROI transaction.

3. Acquisitions:

a. When you acquire a claim and your AU/AQ has been accepted, what is the first SROI you should file?

If your organization has made payments, the first SROI should be the SROI PY or SROI AP to show the first medical or indemnity payment made by the acquiring Claim Administrator. If your organization has not made payments and the prior Claim Administrator made indemnity payments but did not suspend, you may be required to file the SROI AC. If neither of those are true, EDI would not be required until your organization makes a payment, and the AP is filed.

b. What is the difference between an AU and AQ transactions used when acquiring a claim from a prior Claim Administrator?

An AQ is filed when the claim has been previously reported to Virginia and a JCN is assigned.

An AU is filed when the claim was either not previously reported and therefore a JCN does not exist or when a JCN exists from the filing of a paper FROI, but EDI had not yet been filed.

4. Why are some originating FROI transactions rejecting with an error indicating a duplicate?

There are two reasons for this rejection:

1. A prior FROI transaction was already submitted and accepted.
2. A JCN already exists for the claimant noted on your FROI. Sometimes, the claimant or their attorney will notify us of the accident prior to the FROI submission. When this occurs, we create a claim and assign a JCN. That JCN is then required on your FROI and

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if the FROI is submitted without, our system will see that a JCN already exists and therefore thinks you are attempting to create a duplicate and a rejection is issued. When this occurs, you should resubmit your FROI with the assigned JCN.

5. For two injuries that occur on the same day, should these be reported as two separate claims (different Claim Administrator Claim Number), or as one claim?

These should be reported as two different claims with two different CACNs so that the Commission can assign two distinct JCNs and process the claims separately. Should a rejection be received for the second injury, contact the Commission's EDI Support Team for review at edi.support@workcomp.virginia.gov.

6. We know a change was made to data in a particular claim, but it is not showing in WebFile, why?

If the change made via EDI is not showing in WebFile, this could be because the data was updated on a FROI/SROI 02 Change and was not included in the Change Variable Segment. Virginia will only acknowledge a change made on a FROI/SROI 02 if it is included in the change segment. If, knowing this, you still feel information is missing from WebFile, please contact EDI Support at edi.support@workcomp.virginia.gov for additional assistance.

SROI Reporting:

1. How are voluntary payments dealt with?

If you are voluntarily making payments without the entry of an award, those payments should be reported via EDI. Once reported, the Commission will send the Indemnity Payments Advisory requesting the status of the agreement forms.

2. How do I report a voluntarily lump sum/settlement?

A lump sum/settlement code should only be reported to Virginia if a Lump Sum was awarded, or a Compromise Settlement was approved by the Commission. If a payment was made in a lump sum but not awarded as such by the Commission, it should be reported as regular indemnity (0xx or 2xx code).

3. Medical Payments and the \$1,000 threshold:

a. I do not understand the SROI filing when there is no indemnity, even when payments exceed \$1,000. Please explain?

This refers to medical payments exceeding \$1,000. There are 7 criteria which define a "non-minor" injury. The two relevant ones for this answer are: 1) if medical costs exceed \$1,000 or 2) if indemnity occurs greater than 7 days. Therefore, if the claim is no longer considered a minor injury, the SROI transactions are required which is similar to the reporting of the 45G form from our legacy paper-based process.

b. If you decide to report medical payments that are less than \$1,000.00 thinking that they may get past the \$1,000.00 threshold, would that be a problem?

No, this will not be a problem.

4. Are we to file SROI CBs for change in benefits as well as paper forms?

Yes, the CB transaction, like all other SROIs, are in addition to the paper forms.

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5. What are the scenarios in which a QT or PY transaction should be filed?

Refer to the Event Table for the Trigger Value for scenarios in which each transaction should be filed.

6. When completing the benefit segment on a SROI transaction, what is required?

For information on completing the benefit segment, please refer to the EDI Training Aid #7 – Benefit Segment that can be found on the EDI QA page of the Commission's website.

7. If there is more than one claim settled, how do I report it via EDI?

Each JCN will require a SROI PY transaction. Depending on how the claims were settled, will dictate what needs to be reported on each transaction. Please see Training Aid #11 – Reporting of Compromise Settlements for assistance with your specific scenario. This document can be found on the EDI QA page of the Commission's website. Should the scenario you are reporting, not fall under one provided, please contact EDI Support at edi.support@workcomp.virginia.gov for additional assistance.

8. SROI PY transaction:

a. When reporting the lump sum payments made in the payment segment of a SROI transaction, what is required?

For information on completing the payment segment, please refer to the EDI Training Aid #8 – Payment Segment and EDI Training Aid #6 – Helpful Guidelines for PY Transactions that can be found on the EDI QA page of the Commission's website.

b. What codes are acceptable on a PY transaction?

Refer to the Valid Value Table Page 1 tab on the Edit Matrix. The codes can also be located in EDI Training Aid #3 – Quick Code Reference List that can be found on the EDI QA page of the Commission's website.

9. Once PPD has been paid in full, should a suspension be filed?

If you are paying PPD under 030 or 090 then, yes, a suspension is due. The suspension indicates benefits have been paid in full. A SROI transaction should be filed rather than a letter notifying Commission that the PPD Award has been paid. In most situations, the correct suspension to file for PPD will be an S7 for Benefit Exhausted. If you are paying PPD awarded as a lump sum using 530 or 590 on a PY transaction then, no, a suspension should not be filed.

EDI Request(s) and Fine Information:

1. We already filed the initial FROI for this claimant, why are you asking for it again?

Review the file and make sure that FROI filed used the same JCN. In some instances, there is a duplicate claim where a consolidation has not been done and the Commission is unaware. We should be notified immediately so we can cease our compliance audit on that claim until the duplicates can be consolidated and additional required action, including EDI transactions, can be determined.

In some cases, a duplicate claim was found and already consolidated into a new JCN. In that instance, a FROI is due listing the new JCN and must be filed timely.

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2. Why am I receiving a Pre-Contempt Order?

A Pre-Contempt Order is sent out following an initial request for a specific EDI transaction when it's not received. The next step is a personal outreach effort to obtain the transaction and will be followed by a fine/penalty. It's important to respond to each and every Pre-Contempt Order received in order to avoid a fine against your company.

3. What are the ramifications or fines for being out of compliance?

The Virginia Workers' Compensation Act stipulates required reports. To address the ramifications for being out of compliance, the Act also contains a fine structure. See Section 65.2.902 for details.

4. Why did I receive a Penalty Order assessing a fine?

Penalty Orders are issued when a specific transaction, requested by the Commission, is not filed and no attempt has been made to contact the Commission to explain the reason the transaction was not filed.

5. How can I avoid a fine?

Easy! Simply file the requested transaction or reach out to the Commission by email, phone, mail or fax to advise why the transaction cannot be filed within the time frame allotted. We generally work with each company should a reasonable issue arise, that can be corrected within a specific timeframe.

Report Cards:

1. What is the EDI Quarterly Report Card?

The EDI Quarterly Report Card is a report generated each quarter of the year to provide an update of how each trading partner is doing. The report includes grades and information for the ratio of accepted/rejected transactions, the percentage of initial FROIs filed within their required time limits, most common errors returned, and the number of fines issued against that company for that quarter.

2. Will fines be issued based on the Report Card grade?

At this time, the Report Card is simply for informational purposes. In the future, however, a fine may be issued based on your acceptance grade(s) if the percentage falls under the "Unacceptable" or "Needs Improvement" rating.

For more details, see page 2 of your most recent Quarterly Report Card.

3. Can I get the claim numbers/specific data from the report card grades?

Unfortunately, we are unable to provide the specific claim numbers to match. However, our hope is that using the last pages of the report card itself, Report Card Requirements, you can query your system to pull the specific claim numbers to determine which claims caused the different grades.

4. Who receives a copy of the quarterly Report Cards?

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Quarterly Report Cards are issued within 30 days of the quarter ending and are issued to the Business Contact listed for each Sender and any additional contact they have asked to receive a copy.

5. If I wish to receive a copy of the Quarterly Report Cards, what do I need to do?

A contact can only receive a copy of the quarterly Report Cards if they have been requested to receive a copy by the Business Contact for the Sender. Please reach out to the Business Contact to have you added to the Trading Partner Profile to receive a copy. If you need to know who the contact is, please reach out to editpinfo@workcomp.virginia.gov to request the listed Business Contact.