

Instructions for Electronic Funds Transfer (EFT) Authorization Agreement

This form should be completed for Billing Providers associated with the following Health Plans: Alliant Health Plans, NorthShore Physician Associates, Driscoll Health Plan, Sendero Health Plans, RightCare by Scott and White Health Plan, New Mexico Health Connections and Maine Community Health Options. The form may be attached to a provider portal ticket or may be sent as a hard copy to the address indicated on each of these Health Plans' EFT Authorization Agreements. If a billing provider group exists under one TIN or EIN, please indicate each NPI in the space provided or attach a separate list of applicable NPIs under the group.

- 1. Provider/Billing Provider Name:** Complete legal name of institution, corporate entity, practice or individual provider.
- 2. Doing Business As (DBA):** A legal term used in the United States meaning that the trade name, or fictitious business name, under which the business or operation is conducted and presented to the world is not the legal name of the legal person (or persons) who actually own it and are responsible for it.
- 3. Provider/Billing Provider Street Address:** The number and street name where a person or organization can be found.
- 4. Provider/Billing Provider City:** City associated with provider address field
- 5. Provider/Billing Provider State/Province:** ISO 3166-2 Two Character Code associated with the State/Province/Region of the applicable Country
- 6. Provider/Billing Provider Zip Code/Postal Code:** System of postal-zone codes (zip stands for "zone improvement plan") introduced in the U.S. in 1963 to improve mail delivery and exploit electronic reading and sorting capabilities
- 7. Provider Tax Identifier (TIN) or Employer Identifier (EIN):** A Federal Tax Identification Number, also known as an Employer Identification Number (EIN), is used to identify a business entity.
- 8. National Provider Identifier (NPI):** A Health Insurance Portability and Accountability Act (HIPAA) Administrative Simplification Standard. The NPI is a unique identification number for covered healthcare providers. Covered healthcare providers and all health plans and healthcare clearinghouses must use the NPIs in the administrative and financial transactions adopted under HIPAA. The NPI is a 10-position, intelligence-free numeric identifier (10-digit number). This means that the numbers do not carry other information about healthcare providers, such as the state in which they live or their medical specialty. The NPI must be used in lieu of legacy provider identifiers in the HIPAA standards transactions
- 9. Assigning Authority:** Organization that issues and assigns the additional identifier requested on the form, e.g., Medicare, Medicaid

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- 10. Trading Partner ID:** The provider's submitter ID assigned by the health plan or the provider's clearinghouse or vendor. For purposes of Texas Medicaid, this would be the state issued Texas Provider Identifier (TPI).
- 11. Provider/Billing Provider Contact Name:** Name of a contact in provider office for handling EFT issues
- 12. Provider/Billing Provider E-mail Address:** An electronic mail address at which the health plan might contact the provider
- 13. Provider/Billing Provider Phone Number:** Associated with contact person
- 14. Provider/Billing Provider Fax Number:** A number at which the provider can be sent facsimiles
- 15. Financial Institution Name:** Official name of the provider's financial institution
- 16. Financial Institution Street Address:** Street address associated with receiving depository financial institution name field
- 17. Financial Institution Telephone Number:** A contact telephone number at the provider's bank
- 18. Financial Institution City/State/Zip:**
- **City** - City associated with receiving depository financial institution address field
 - **State** - ISO 3166-2 Two Character Code associated with the State/Province/Region of the applicable Country²⁶
 - **Zip** - System of postal-zone codes (zip stands for "zone improvement plan") introduced in the U.S. in 1963 to improve mail delivery and exploit electronic reading and sorting capabilities
- 19. Financial Institution Routing Number:** A 9-digit identifier of the financial institution where the provider maintains an account to which payments are to be deposited
- 20. Type of Account at Financial Institution:** The type of account the provider will use to receive EFT payments: Checking or Saving
- 21. Provider's Account Number at Financial Institution:** Provider's account number at the financial institution to which EFT payments are to be deposited. Please attach a copy of voided check or bank letter. If submitting application electronically scan and email the or mail to address on the form
- 22. Provider Preference for Grouping Claim Payments:** Provider preference for grouping (bulking) claim payments – must match preference for v5010 X12 835 remittance advice. Select one:
- **(TIN)** Provider Tax Identification Number
 - **(NPI)** National Provider Identifier
- 23. Reason for Submission:** Select One:

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- New Enrollment
- Change Enrollment
- Cancel Enrollment

24. Authorizing Signature: The signature of an individual authorized by the provider or its agent to initiate, modify or terminate an enrollment. May be used with electronic and paper-based manual enrollment

25. Date Signed: Date the form is signed

26. Printed Name: The printed name of the person signing the form

27. Title of Signatory: The printed title of the person signing the form

Additional Instructions Regarding EFT

The provider must contact its financial institution to arrange for the delivery of the CORE-required Minimum CCD+ data elements needed for reassociation of the payment and the ERA. *See Phase III CORE EFT & ERA Reassociation (CCD+/835) Rule Version 3.0.0.* Please see Appendix A for instructions and a sample letter and Appendix B for Key Definitions

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APPENDIX A

Key Steps

Providers should complete the following steps to ensure receipt of the ACH Payment Related Information from their financial institutions to enable successful EFT and ERA reassociation per the mandated EFT & ERA Operating Rules:

1. Determine if your provider organization is currently outsourcing EFT/ERA processing to a clearinghouse or vendor; if so, consult your clearinghouse/vendor contact to jointly determine if you need to request receipt of the ACH Payment Related Information from your financial institutions.
2. If your organization does not use a clearinghouse/vendor or if you and your vendor/clearinghouse agree it is necessary, you may customize the sample letter below to request delivery of the ACH Payment Related Information from your financial institution contact. The key contact at your bank may include:

Account officer/relationship manager

Branch managers/assistant manager

Management or treasury management officer

ACH operations manager

Options for communicating the key points in the letter include:

Talking Points for In-Person Meeting: Use the key points outlined in the sample letter to develop talking points for a conversation in-person with your financial institution contacts

Talking Points for Phone Conversation: Use the key points outlined in the sample letter to develop talking points for a phone conversation with your financial institution contacts

Email: Complete the yellow-highlighted areas in the body of the sample letter and email the letter to your financial institution contacts; if you contact your financial institution contact via email, follow-up with a phone call to ensure receipt.

3. Provider organizations that use the letter should expect to receive information from their financial institutions regarding options for delivery of the ACH Payment Related Information and, ultimately, begin receiving the data necessary to reassociate EFT payments with ERAs.

When to Send the Letter

Now! Due to collaboration between the healthcare and financial services industries, the *NACHA Operating Rules* require that financial institutions provide the ACH Payment Related Information to a provider **upon request** via a secure, electronic method. Thus providers not currently receiving this data are encouraged to request it as soon as possible to enable more efficient reassociation of EFTs and ERAs. By no later than 01/01/2014, health plans must offer EFT to providers via the NACHA CCD+. This HIPAA mandated EFT transaction must include TRN Reassociation Trace Number data segment necessary for reassociation.

Providers should allow at least 7-10 days for financial institutions to set up processes to ensure delivery of the ACH Payment Related Information. If requested, your financial institutions must make the ACH Payment Related Information available to your organization no later than the opening of business on the second Banking Day following the settlement.

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APPENDIX A (cont')

SAMPLE LETTER FROM PROVIDER TO FINANCIAL INSTITUTION TO REQUEST RECEIPT OF THE NACHA CCD+ ACH PAYMENT RELATED INFORMATION

<date>

<key contacts at financial institution>

<key contacts job title>

<financial institution name>

Re: Request for ACH Payment Related Information for <Account Name and Account Number>

Dear <key contacts at financial institution>,

The Affordable Care Act (ACA) mandates Healthcare Operating Rules to support the adoption of electronic payments across the healthcare industry. <name of provider organization> would like to benefit from the Healthcare Operating Rules which assist providers in automating reassociation of EFT payments and electronic remittance advices.

The *NACHA Operating Rules*, which align with the Healthcare Operating Rules, require a Receiving Depository Financial Institution (RDFI) to provide or make available, either automatically or upon request, all data contained within the ACH Payment Related Information field (including the TRN Reassociation Trace Number) of the Addenda Record, no later than the opening of business on the second Banking Day following the Settlement Date. The NACHA rules also require the RDFI to offer or make available to the healthcare provider an option to receive or access the Payment Related Information via a secure, electronic means. This change to the *NACHA Operating Rules* was made to support changes in the healthcare industry due to the ACA.

The purpose of this communication is to formally request receipt of ACH Payment Related Information for all CCD+ EFT payments received by <name of provider organization> for <Account Name and Account Number> to enable reassociation of EFT payments with electronic remittance advices. Please provide <name of provider organization> additional information on our options to receive secure, electronic delivery of the ACH Payment Related Information for including:

<Note from CAQH CORE: the below list is only an example of the types of things your organization may want to consider asking about and may be customized>

- Options for receiving the ACH Payment Related Information
- Approaches for testing the electronic delivery method to receive the ACH Payment Related Information
- Information regarding to the length of time to implement delivery of the ACH Payment Related Information
- Information about any fees associated with establishing electronic delivery of the ACH Payment Related Information

Thank you in advance for your assistance. If you should have any questions, please contact <key contact at provider organization> at XXX-XXX-XXXX. If we do not receive a response, we will follow-up on this <email/letter> via phone in one week.

Sincerely,

<your name>

<your job title>

<name of provider organization>

<your phone number>

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APPENDIX B

Key Definitions:

ACH (Automated Clearing House) Network: The ACH Network is a batch processing, electronic payments system governed by the *NACHA Operating Rules*, which provide for the interbank clearing of electronic payments for participating depository financial institutions.²

ACH Payment Related Information: A field in the CCD+ Addenda Record containing payment-related ASC X12 data segments including the TRN Reassociation Trace Number data segment.³

NOTE: While financial institutions are required to provide the ACH Payment Related Information upon request, various terminology is used across both the financial services and healthcare industries when referring to this information including:

- ACH Payment Related Information
- Addenda Record Information
- CORE-required Minimum CCD+ Data Required for Reassociation

Banking Day: Pursuant to U.C.C. § 4-104, a banking day means a day on which a bank is open to the public for carrying on substantially all of its banking functions. Banking days include all days when offices of a bank are open for business to the public. Usually a banking day is any day except Saturday, Sunday and legally defined holidays. Regulations D and CC of Federal Reserve Regulations deal with public holidays.⁴

CAQH CORE: CAQH CORE is a national multi-stakeholder initiative that streamlines electronic healthcare administrative data exchange and improves health plan-provider interoperability through an integrated model of operating rule development, adoption and maintenance. CAQH CORE has been designated by the Department of Health and Human Services (HHS) as an author for ACA-mandated healthcare operating rules. To learn more about CAQH CORE, visit www.caqh.org.

CAQH CORE EFT & ERA Operating Rules: A set of healthcare operating rules mandated by the Affordable Care Act which all HIPAA covered entities must implement. For more information click [HERE](#).

NACHA - The Electronic Payments Association: NACHA is the healthcare EFT standard organization, as mandated by Federal regulation, and its ACH CCD+ is the federally required healthcare EFT standard. NACHA manages the development, administration, and governance of the ACH Network, the backbone for the electronic movement of money and data. As a not-for-profit association, NACHA represents more than 10,000 financial institutions via 17 regional payments associations and direct membership. To learn more about NACHA and healthcare payments, visit <https://healthcare.nacha.org/>.

NACHA Operating Rules: Govern the exchange of ACH payments and define the roles and responsibilities of financial institutions and other participants in the ACH Network.⁵

Settlement Date: The day on which settlement occurs, i.e., funds actually change hands as a result of an ACH entry.⁶

TRN Reassociation Trace Number: Uniquely identifies the transaction set and aids in reassociating payments and remittance advices that have been separated.⁷

² NACHA Operating Rules & Guidelines 2013.

³ Ibid.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ HIPAA-adopted ASC X12N 005010X221A1 835.