



**BENEFIT ENROLLMENT (834)
COMPANION GUIDE**

August 6, 2013

Version 1.0.3

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1 Introduction

1.1 Purpose and Scope

This document provides information about Carrier Integration when the District of Columbia Health Benefit Exchange (referred to as “DC HBX” or “DC Exchange”) is the aggregator of enrollment data for carriers or the recipient of enrollment data from carriers.

This document describes the use and exchange of member enrollment, change and termination messages that will be used for both the Individual and Small Business Health Options Program (SHOP) markets.

1.2 Intended Audience

This document is written for system architects, EDI developers, network engineers and others who are involved in the integration program of Carrier systems with DC Exchange.

1.3 Background of DC Health Exchange

On March 23, 2010, the Patient Protection and Affordable Care Act (ACA) was signed into law. A key provision of the law requires all states to participate in a Health Benefit Exchange beginning January 1, 2014. The District of Columbia declared its intention to establish a state based health benefit exchange in 2011 with the introduction and enactment of the Health Benefit Exchange Authority Establishment Act of 2011, effective March 3, 2012 (D.C. Law 19-0094).

The Health Benefit Exchange Authority Establishment Act of 2011 establishes the following core responsibilities for the Exchange:

1. Enable individuals and small employers to find affordable and easier-to-understand health insurance
2. Facilitate the purchase and sale of qualified health plans
3. Assist small employers in facilitating the enrollment of their employees in qualified health plans
4. Reduce the number of uninsured
5. Provide a transparent marketplace for health benefit plans
6. Educate consumers
7. Assist individuals and groups to access programs, premium assistance tax credits, and cost-sharing reductions

The DC Exchange is responsible for the development and operation of all core Exchange functions including the following:

1. Certification of Qualified Health Plans and Qualified Dental Plans
2. Operation of a Small Business Health Options Program (SHOP)
3. Consumer support for coverage decisions
4. Eligibility determinations for individuals and families
5. Enrollment in Qualified Health Plans
6. Contracting with certified carriers
7. Determination for exemptions from the individual mandate

1.4 Trading Partner Agreement

A Trading Partner Agreement (TPA) is created between participants in Electronic Data Interchange (EDI) file exchanges. All trading partners who wish to exchange 5010 transaction sets electronically to/from DC Exchange via the ASC X12N 834,

Benefit Enrollment and Maintenance (Version 005010X220A1) and receive corresponding EDI responses, must execute a TPA and successfully complete Trading Partner testing to ensure their systems and connectivity are working correctly prior to any production activity.

1.5 Regulatory Compliance

The DC Exchange will comply with the data encryption policy as outlined in the HIPAA Privacy and Security regulations regarding the need to encrypt health information and other confidential data. All data within a transaction that are included in the HIPAA definition of Electronic Protected Health Information (ePHI) will be subject to the HIPAA Privacy and Security regulations, and DC Exchange will adhere to such regulations and the associated encryption rules. All Trading Partners also are expected to comply with these regulations and encryption policies. (Please refer to the [DC Exchange Carrier Onboarding Document](#) for additional information).

1.6 Key Terms

The following are definitions for acronyms used in this document.

Table 1: Acronyms

| Acronym | Definition |
|--|--|
| ACA | Affordable Care Act |
| APTC | Advance Payments of the Premium Tax Credit |
| ASC | Accredited Standards Committee |
| Cancellation of Health Coverage | End health coverage prior to the health coverage effective date. (Cancellation = Prior to effective date of coverage Termination = After effective date of coverage) |
| CCIO | Center for Consumer Information and Insurance Oversight |
| CG | Companion Guide |
| CMS | Centers for Medicare & Medicaid Services |
| CSR | Cost-Sharing Reduction |
| EDI | Electronic Data Interchange |
| EDS | Enrollment Data Store |
| EFT | Enterprise File Transfer |
| FEPS | Federal Exchange Program System |
| FF-SHOP | Federally Facilitated Small Business Health Option Program |
| FFE | Federally Facilitated Exchange operated by HHS |
| HHS | Department of Health and Human Services |
| HIPAA | Health Insurance Portability and Accountability Act of 1996 |
| Hub | Data Services Hub Referred to as the Hub |
| IG | Implementation Guide |
| PHS | Public Health Service |
| QHP | Qualified Health Plan |
| MEC | Minimum Essential Coverage |
| SBE | State-Based Exchange |
| SFTP | Secure File Transfer Protocol |
| SHOP | Small Business Health Option Program |
| Termination of Health Coverage | Terminate (end-date) health coverage after the health coverage effective date. (Cancellation = Prior to effective date of coverage Termination = After effective date of coverage) |
| Companion Guide Technical Information (TI) | The Technical Information (TI) section of the ASC X12 Template format for a Companion Guide which supplements an ASC X12 Technical Report Type 3 (TR3) |
| TR3 | Type 3 Technical Report |
| XOC | eXchange Operational Support Center |

1.7 Related Resources

This [Benefit Enrollment Companion Guide](#) is one in a series of documents that describes and specifies communication between the Exchange and carriers. Below is a list of related guides and specifications. Current versions of these resources may be obtained at the DC Health Benefit Exchange Web site (see [How to Contact Us](#)).

Table 2: Related Resources

| Resource | Description |
|--|---|
| CMS Companion Guide for the Federally Facilitated Exchange (FFE) | Provides information on usage of 834 transaction based on 005010X220 Implementation Guide and its associated 005010X220A1 addenda |
| Trading Partner Agreements (TPA) | Outlines the requirements for the transfer of EDI information between a Carrier and DC Exchange |
| DC Exchange Carrier Onboarding Document | Contains all the information required for Carrier to connect and communicate with the DC Exchange, i.e. machine addresses, security protocols, security credentials, encryption methods |
| DC Exchange Carrier Integration Manual | Provides a comprehensive guide to the services offered by DC Exchange |
| DC Exchange Premium Payment Companion Guide | Provides technical information on 820 transactions supported by DC Exchange |
| DC Exchange Carrier Testing Document | Contains the testing strategy for DC Exchange – Carriers integration |
| DC Exchange Transaction Error Handling Guide | Provides details on exchange message validation and error handling |
| Employer Demographic XSD | XML schema definition for exchanging Employer Demographic information |
| Broker Demographic XSD | XML schema definition for exchanging Broker Demographic information |
| Reconciliation Report Template | Excel file template for Carriers to report and resolve discrepancies between Carrier and DC Exchange subscriber databases |

1.8 How to Contact Us

The DC Exchange maintains a Web site with Carrier-related information along with email and telephone support:

- **Web:** <http://dchbx.com/page/carrier-information>
- **Email:** carriersupport@dchbx.com
- **Phone:**
 - (202) 317-0287 - Concierge, general Carrier EDI support
 - (202) 320-7308 - technical Carrier EDI support

2 Electronic Communication with the DC Exchange

2.1 Connecting to the DC Exchange

The DC Exchange publishes secure Internet resources that a Carrier may access to exchange electronic information. Under the Trading Partner setup process, a Carrier completes the [DC Exchange Onboarding Document](#).

The Onboarding Document collects information about Carrier technical contacts, network details and other information necessary to establish secure communication. Based on this information, the DC Exchange will configure networks; establish service accounts and credentials; and exchange keys with Carriers to enable connectivity to DC Exchange resources.

2.2 PGP Encryption

The DC Exchange uses Pretty Good Privacy (PGP) to encrypt information shared with trading partners. Using PGP, sensitive information in electronic files is protected during transmission over the open Internet and while stored on messaging servers. The DC Exchange and Carriers will exchange public keys under the onboarding process. Files will be encrypted with the receiver's public key (either the DC Exchange or Carrier) and signed by the sender's private key.

2.3 Secure Email

The DC Exchange will support SSH SMTP services. Carriers and the Exchange may use this service to send email messages that contain private or sensitive content.

2.4 SFTP Server

The DC Exchange provides a secure landing zone for Carriers to post and retrieve transaction files. SSH FTP protocol is used to transfer files to and from the landing zone server. Files persisted on the landing zone server are encrypted to protect private and sensitive information.

Folders and file name conventions are used on the landing zone to organize and distinguish between file types and instances used on the Exchange. Since Carriers may elect to offer QHPs in Individual, SHOP or both markets, folders are organized first by market type.

Following is a detailed description of each market folder hierarchy. Folders are named from the Carrier perspective. Inbound holds files for Carrier to download, outbound files are uploaded by the Carrier. **Note:** The receiving party is responsible for deleting landing zone server interchange and acknowledgement files from their respective folders once they are successfully transferred and processed.

2.4.1 INDIVIDUAL MARKET FOLDER STRUCTURE

Carriers who offer Individual Market QHPs will use a folder structure like that shown in Figure 1 to exchange transactions.

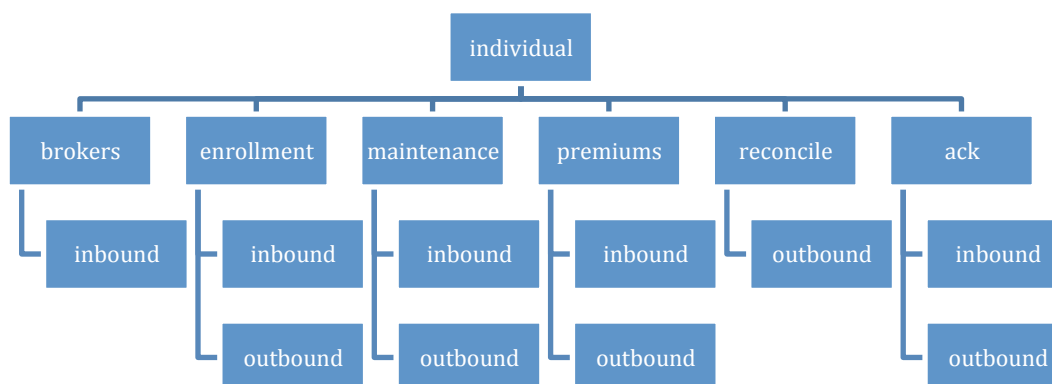


Figure 1: SFTP Folder Structure for Individual Market

Carriers may retrieve new and updated broker demographic information in the **brokers/inbound** folder. Broker files are non-EDI with uni-directional flow from the Exchange to Carriers.

Individual initial enrollment 834's are accessed in the **enrollment/inbound** folder. Carriers post effectuation files in the **enrollment/outbound** folder.

The **maintenance** folder is for Individual market 834 change files. Carriers pick up 834 files, including periodic 834 audit files, from the **maintenance/inbound** folder. Carriers post 834 change files to the **maintenance/outbound** folder.

The **premiums** folder enables 820 premium payment exchanges. Carriers collect Individual binder payment 820's from the **premiums/inbound** folder and post ongoing payment 820 remittance advice to the **premiums/outbound** folder.

The **reconcile/outbound** folder is for Carriers to post non-EDI reconciliation files produced as a result of processing an 834 audit file.

The DC Exchange posts TA1/999 acknowledgement files to the **reconcile/inbound** folder for Carrier consumption. Carriers post TA1/999 acknowledgement files to the **reconcile/outbound** folder for DC Exchange consumption.

2.4.2 SHOP MARKET FOLDER STRUCTURE

Carriers who offer SHOP Market QHPs will use a folder structure like that shown in Figure 2 to exchange transactions.

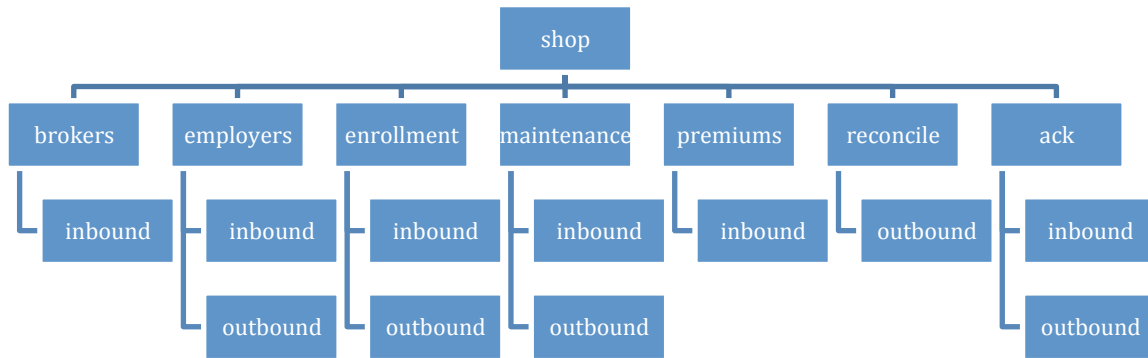


Figure 2: SFTP Folder Structure for SHOP Market

Carriers may retrieve new and updated broker demographic information in the **brokers/inbound** folder. Broker files are non-EDI with uni-directional flow from the Exchange to Carriers.

Employer demographic information is handled similar to that of brokers. Carriers may retrieve new and updated employer demographic information in the **employers/inbound** folder. Carriers will post Group ID response files to the **employers/outbound** folder.

SHOP initial enrollment 834's are accessed in the **enrollment/inbound** folder. Carriers will post effectuation files in the **enrollment/outbound** folder.

The **maintenance** folder is for SHOP market 834 change files. Carriers pick up 834 files, including periodic 834 audit files, from the **maintenance/inbound** folder. Carriers post 834 change files to the **maintenance/outbound** folder.

The **premiums** folder enables 820 premium payment exchanges. Carriers pick up SHOP 820's from the **premiums/inbound** folder.

Carriers use the **reconcile/outbound** folder for posting TA1/999 acknowledgement files.

The DC Exchange posts TA1/999 acknowledgement files to the **reconcile/inbound** folder for Carrier consumption. Carriers post TA1/999 acknowledgement files to the **reconcile/outbound** folder for DC Exchange consumption.

2.5 File Types and Frequency

As shown in Table 3, there are four types of files that will support member enrollment and change information under the Individual and SHOP markets:

1. **Change File:** A file containing any changes. Any new record or update to a membership record will be included on the appropriate change file.
2. **Audit File:** An audit file containing the current view of the membership. So whether a member has been involved in a change or not, the file is sent to Carriers.
3. **Interchange Acknowledgement:** file header verification
4. **Functional Acknowledgement:** file content syntactic verification

Table 3: File Types and Frequency

| Market | File Type | File Content | Frequency |
|------------|-----------------------------|------------------------|--|
| Individual | Change File | Initial Enrollment 834 | Daily* |
| | Change File | Effectuation 834 | Upon processing of Initial Enrollment 834 EDI file |
| | Change File | Maintenance 834 | Daily* |
| | Change File | Confirmation 834 EDI** | Upon processing of Maintenance 834 EDI file |
| | Audit | Full File 834 | Weekly/Monthly |
| | Interchange Acknowledgement | TA1 | Upon receipt of 834 |
| | Functional Acknowledgement | 999 | Upon processing of 834 |
| SHOP | Change File | Initial Enrollment 834 | Daily* |
| | Change File | Effectuation 834 | Upon processing of Initial Enrollment 834 EDI file |
| | Change File | Maintenance 834 | Daily* |
| | Change File | Confirmation 834 EDI** | Upon processing of Maintenance 834 EDI file |
| | Audit | Full File 834 | Weekly/Monthly |
| | Interchange Acknowledgement | TA1 | Upon receipt of 834 |
| | Functional Acknowledgement | 999 | Upon processing of 834 |

* Throughout this document, “Daily” means business days; files will not be exchanged on weekends or Federal and District holidays.

** As of Oct. 1, 2013, the DC Exchange will not require Confirmation 834 EDI’s from Carriers. We will revisit this policy in the future.

Table 4 lists 834 transactions by type and direction of message travel.

Table 4: 834 Transactions and Exchange Flow

| Transaction Type | DC Exchange to Carrier | Carrier to DC Exchange |
|--------------------|------------------------|------------------------|
| Initial Enrollment | X | |
| Effectuation | | X |
| Change | X | |
| Cancellation | X | X |
| Termination | X | X |
| Reinstatement | X | X |
| Audit | X | |
| Reconciliation | | X |
| Error 999 / TA1 | X | X |

2.6 File Naming

Files follow a naming convention as follows, broken down into identifying parts that enable interpretation of its content type, vintage, source, etc. Each file name part is separated by an underscore “_” to allow parsing. See Table 5 for explanation and values of each file name part, ordered as follows:

FileStandard_DateTime_IssuerID_GroupID_FilePurpose_FileContent_ExchangeMarket_ProcessFlag.Encryption

For example:

File name

834_201305141422Z_CFBCI_DCHBX_C_EF_I_1.pgp

Meaning

834 file, produced May 14, 2013 at 2:22pm GMT, authored by carrier identified by “CFBCI”, subject is DC Exchange individual subscribers, purpose is database update, content is effectuation notices, market is individual subscribers, file contains one or more records and is PGP encrypted.

Table 5: File Naming Convention

| File Name Part | Description | Acceptable Values | |
|------------------------|---|--|---|
| File Standard | Structure: X12 specification | 834 TA1 999 | Enrollment & Maintenance Technical Acknowledgement Functional Acknowledgement |
| Date Time | Timestamp: UTC date and time | yyyyMMddHHmmZ | |
| Issuer ID | Carrier: DC Exchange-assigned unique identifier for Carrier that created file. | <CarrierID> IDs are established through trading partner agreements | |
| Group ID | Subject: group with which content is associated. If value is DC Exchange ID, content is Individual market. If TaxID, content refers to SHOP Employer without Carrier assigned ID. If GroupID, content refers to SHOP Employer identified by the referenced Carrier ID | DCHBX <TaxID> <GroupID> | DC Exchange ID Tax ID number of the employer or broker Carrier Group identifier |
| File Purpose | Purpose: Whether content is intended for database update or comparison/reconciliation. | C A | Change File Audit File |
| File Content | Content: Whether this is an Initial Enrollment file, Maintenance File, Full File | E EF M F | Initial Enrollment File Effectuation file Maintenance File Full File |
| Exchange Market | Market: Whether content is Individual Exchange or SHOP Exchange | I S | Individual Exchange SHOP Exchange |
| Sentinel Flag | Flag: Presence of file is positive acknowledgement that exchange partner has successfully completed processing. Flag value indicates whether file contains new content to exchange or is empty (no new messages). | 1 0 | File has content to process File is empty |
| Encryption | Encryption type | .pgp | PGP encrypted |

2.7 Sentinel Files

The new Exchange business model requires successful process execution and coordinated inter-organization information exchange to ensure members receive entitled coverage and updates on a timely basis. The EDI interchange between Carriers and the Exchange is a critical point in that process to recognize and recover from errors. One such error is the failure to post interchange files for a partner organization to process. For instance, how should a Carrier interpret the situation when an 834 file isn't found during daily inspection of the new enrollments folder? The lack of a file could signal: 1) no new data, 2) delay in DC Exchange processing, or 3) failure in DC Exchange processing.

In order to detect process failures, the DC Exchange uses sentinel files. A sentinel file provides a mechanism for the sender to positively inform the receiving party that no data is available to process. For daily interchanges, both the DC Exchange and Carriers will always post a file, indicating via the file's sentinel flag (as specified in the File Naming section), whether the file has content to process. Files names with a sentinel flag indicating no content may be 0-length and the content ignored.

The DC Exchange and Carriers will post sentinel files when there's no content to process for the following exchanges:

- Individual 834 initial enrollment file
- Individual 834 effectuation file
- Individual 834 maintenance file
- Carrier to DC Exchange Individual 820 payments file (the DC Exchange is deferring the requirement for daily 820 files from Carriers until after January 1, 2014)
- SHOP 834 initial enrollment file
- SHOP 834 effectuation file
- SHOP 834 maintenance file

When the receiving party encounters a sentinel file, they will not produce a TA1/999 acknowledgement for the interchange.

2.8 File Rejection

The entire submission will be rejected under the following situations:

- Submission of files that don't comply with file name specification defined herein
- Submission of data that is not valid based on the TR3
- Submission of a segment or data element specified in the TR3 as "Not Used"
- Submission of non-unique values in the GS06, or non-unique combinations of GS06 and ST02

3 EDI Implementation

3.1 Standards Supported

The DC Exchange uses the EDI ASC X12N standard formats for exchanging benefit enrollment and premium payment remittance information. The specifications and versions are as follows:

| Specification | Version |
|---------------|---|
| EDI X12 834 | 005010X220A1 |
| EDI X12 820 | 005010X306 |
| EDI X12 TA1 | 005010231A1: Interchange Acknowledgement |
| EDI X12 999 | 005010231A1: Implementation Acknowledgement |

3.2 SNIP Level Validation

EDI transactions submitted to the DC Exchange pass through compliance checks before processing. The DC Exchange and Carriers will follow the SNIP 1 and SNIP 2 edits.

WEDI SNIP Level 1: EDI Syntax Integrity Checking. Validates the basic syntactical integrity of EDI submission. This level tests the EDI for valid segments, segment order, element attributes, etc. When EDI submissions fail this validation, the entire file will be rejected back to the submitter. Examples of these errors include, but are not limited to:

- Invalid date or time
- Invalid telephone number
- Invalid data element length

WEDI SNIP Level 2: HIPAA Syntactical Requirement Validation. This level validates the file for conformance to HIPAA Implementation Guide syntax, such as limits on repeat counts, used and not used qualifiers, codes, elements and segments. When EDI submissions fail this validation, failing transactions will be rejected back to the submitter. Examples of these errors include, but are not limited to:

- Invalid Social Security Number
- Missing/Invalid Enrollee information
- Patient's city, state, or zip is missing or invalid
- Invalid character or data element

3.3 Character Set

- As specified in the TR3, the basic character set includes uppercase letters, digits, space, and other special characters with the exception of those used for delimiters.
- All HIPAA segments and qualifiers must be submitted in UPPERCASE letters only.
- To avoid syntax errors hyphens, parentheses, and spaces should not be used in values for identifiers. (Examples: Tax ID 123654321, SSN 123456789, Phone 8001235010)
- The DC Exchange coordinate with trading partners to determine delimiters. Delimiters for the transaction are specified in 834 Control Segments/Envelope section herein

3.4 Time Standards

Unless otherwise noted, all date and time values refer to Coordinated Universal Time (UTC). The DC Exchange and Carrier will verify use of Network Time Protocol (NTP) to synchronize system clocks between respective communicating servers.

3.5 834 Control Segments/Envelope

Trading partners should follow the Interchange Control Structure (ICS) and Functional Group Structure (GS) guidelines for HIPAA that are located in the HIPAA Implementation Guides. The following sections address specific information needed by the DC Exchange in order to process the ASC X12N/005010X220A1-834 Benefit Enrollment and Maintenance Transaction.

The DC Exchange will accept:

- Single ISA-IEA envelope within a single physical file.
- Single GS-GE envelope within a single ISA-IEA interchange.
- Multiple ST-SE envelopes within a single GS-GE functional group.

Table 6 specifies use of 834 ISA and GS headers for interchange with the DC Exchange.

Table 6: Control Segments

| Element | Description | Length | Acceptable Values | Instructions |
|---------|--------------------------------------|--------|--------------------------------------|---|
| ISA | Interchange Control Header | 1 | | |
| ISA01 | Authorization Information Qualifier | 2 | 00 | |
| ISA02 | Authorization Information | 10 | | Space characters |
| ISA03 | Security Information Qualifier | 2 | 00 | |
| ISA04 | Security Information | 10 | | Space characters |
| ISA05 | Interchange Sender ID Qualifier | 2 | 30 | |
| ISA06 | Interchange Sender ID | 9 | NNNNNNNNN | Sender's Federal Tax ID |
| ISA07 | Interchange ID Qualifier | 2 | 30 | |
| ISA08 | Interchange Receiver ID | 9 | NNNNNNNNN | Receiver's Federal Tax ID |
| ISA09 | Interchange Date | 6 | YYMMDD | |
| ISA10 | Interchange Time | 4 | HHMM | |
| ISA11 | Repetition Separator | 1 | ^ | Default value |
| ISA12 | Interchange Control Version Number | 5 | 00501 | |
| ISA13 | Interchange Control Number | 9 | NNNNNNNNN | Unique 9-digit number with leading zeroes. |
| ISA14 | Interchange Acknowledgment Requested | 1 | 1 | The DC Exchange requires TA1 file acknowledgement |
| ISA15 | Interchange Usage Indicator | 1 | P = Production Data T = Test Data | |
| ISA16 | Component Element Separator | 1 | : | Default value |
| GS | Functional Group Header | 1 | | |
| GS01 | Functional Identifier Code | 2 | BE | |
| GS02 | Application Sender's Code | 9 | NNNNNNNNN | Sender's Federal Tax ID (same value as ISA06) |
| GS03 | Application Receiver's Code | 9 | NNNNNNNNN | Sender's Federal Tax ID (same value as ISA08) |

| Element | Description | Length | Acceptable Values | Instructions |
|---------|-------------------------|--------|--|--|
| GS04 | Date | 8 | CCYYMMDD | CURRENT-DATE |
| GS05 | Time | 4 | HHMM | CURRENT-TIME |
| GS06 | Group Control Number | 5 | NNNNN | Send only one GS per file. This Control Number must be unique |
| GS07 | Responsible Agency Code | 1 | X = Accredited Standards Committee X12 | |
| GS08 | Version Identifier Code | 12 | 005010X220A1 | |

3.6 Individual vs. SHOP Transactions

Separate 834 files will be created for Individual and SHOP enrollments to aid Carriers in processing enrollment transactions.

3.6.1 INDIVIDUAL MARKET TRANSACTION FILES

For all individual market subscribers, the DC Exchange is considered the sponsor with a group identifier of “DCHBX”. Thus, for individuals, as shown in Table 7, use code N101=“P5” along with N102 =“DCHBX” and use code N103=“FI” along with the DC Exchange’s federal tax ID. According to the file name convention, reference “DCHBX” as the file name component GroupID value.

Table 7: Loop 1000A for Individual Market

| Loop | Element | Element Name | Code | Instruction |
|-------|---------|-------------------------------|-----------|---|
| 1000A | N101 | Entity Identifier Code | P5 | “Plan Sponsor” |
| | N102 | Plan Sponsor Name | DCHBX | DC Exchange ID (see Carrier Integration Manual) |
| | N103 | Identification Code Qualifier | FI | “Federal Taxpayer’s Identification Number” |
| | N104 | Identification Code | NNNNNNNNN | DC Exchange Tax ID |

3.6.2 SHOP MARKET TRANSACTION FILES

The employer is the sponsor in the SHOP market. The DC Exchange uses Loop ID-1000A to identify the plan sponsor. Given Loop Repeat = 1 restriction, it’s necessary to create separate transaction (ST-SE) sets for each employer group.

As shown in Table 8, use code N101=“P5” along with the employer organization’s name, provided in the employer demographic file (see Employer Demographic Data) in N102.

Depending on the Employer group’s status on the DC Exchange, values for N103 and N104 will vary. For the Initial enrollment and effectuation cycle, the Exchange and Carrier will populate N103=“24”, along with the employer’s IRS-issued Employer Identification Number (EIN). For future transactions, including additional SHOP employee Initial enrollments, the Exchange and Carrier will set N103=“94” and N104 to the Carrier-assigned employer group identifier.

According to the file name convention, reference the employer’s EIN or Carrier-assigned group identifier (following first effectuation cycle) as the file name component GroupID value.

Table 8: Loop 1000A for SHOP Market

| Loop | Element | Element Name | Code | Instruction |
|-------|---------|-------------------------------|----------|--|
| 1000A | N101 | Entity Identifier Code | P5 | "Plan Sponsor" |
| | N102 | Plan Sponsor Name | | SHOP Employer free form name |
| | N103 | Identification Code Qualifier | 24 94 | Initial enrollment, use code 24 and "Employer's Identification Number" in N104. Following initial effectuation, use code 94 and Carrier-assigned group identifier value in N104. |
| | N104 | Identification Code | NNNNNNNN | IRS-assigned Employer EIN for initial enrollment. Following effectuation, use Carrier-assigned group ID. |

3.7 Initial Enrollment vs. Maintenance

Unlike maintenance files, initial enrollment files require a subsequent effectuation file. Therefore, the DC Exchange will generate separate 834 files for initial enrollment and maintenance of enrollments.

3.8 Effectuation Files

In response to initial an enrollment file, Carriers will send the DC Exchange an 834 Effectuation file. In addition to initial enrollment data, the Effectuation file will include several Carrier-assigned data elements as specified herein, such as: subscriber identifiers, member identifiers, transaction totals and maintenance types.

3.9 Linking Subscribers and Dependents

The DC Exchange follows ASC X12 5010 Benefit Enrollment and Maintenance (834) guidance for associating dependents with a subscriber within an 834 interchange.

Subscribers and dependents are sent as separate occurrences of Loop 2000 within the same file using the subscriber's unique DC Exchange-assigned identifier as the common key. In the subscriber's—and each dependent's—Loop 2000, include a REF segment and use code "OF" followed by the associated subscriber's ID.

4 Non-EDI Transactions

This section covers special circumstances where the DC Exchange has turned to non-EDI message exchange to support requirements beyond those envisioned under the ASC X12 standards.

4.1 Broker Demographic Data

The broker demographic transaction provides broker-related data to the Carriers via a batch process. The DC Exchange compiles broker data in an XML file under the following scenarios:

- New broker is accepted to the DC Exchange
- Updates to existing broker data
- Broker termination

The DC Exchange will post an initial Broker demographic seed file for Carrier access with all active Brokers. Subsequently, a new change file will be posted whenever a new broker is certified or a change is made to existing broker information.

Carriers must download and process this content before processing the 834 EDI files, as the 834s may contain references to the new broker information. Table 9 shows specifications related to this transaction.

Table 9: Broker Demographics Transaction Details

| | |
|-----------------------------|--|
| Interaction Model | Batch |
| File Name | BrokerData_YYYYMMddHHmm_<Carrier_ID>_<Broker_ID>.xml.pgp |
| Frequency | Daily |
| Inbound File Format | XML file containing the demographics data |
| Outbound File Format | XML response indicating success/failure |
| Exchange Process | DC Exchange compiles data of all newly added brokers as well as of updated data of existing brokers into an XML file. The Carriers pick up the file, process it and then send appropriate XML response to DC Exchange. |
| Success | XML response with appropriate response code |
| Failure | XML response with appropriate error codes and description |
| Error Handling | Refer to Validation and Error Handling |

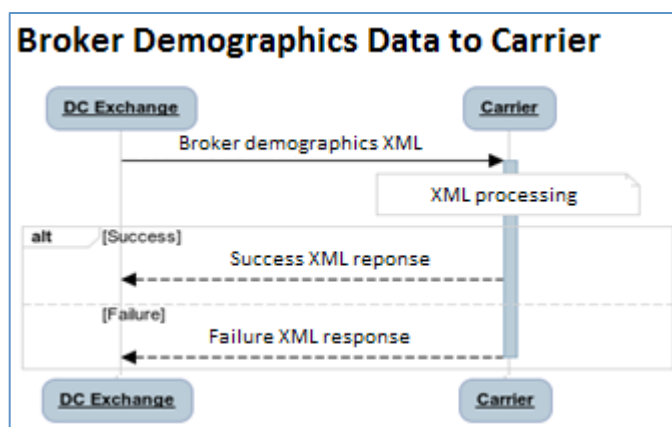


Figure 3: 834 Broker Demographics Data to Carrier

Figure 3 Sequence:

1. DC Exchange sends Broker Demographics Data in an XML file to Carrier
2. The Carrier successfully processes the XML before processing the 834 initial enrollment
3. The Carrier sends success XML response
4. In case of error processing the file, Carrier sends a Failure XML response
5. DC Exchange resends the file
6. In case of issues Carrier contacts DC Exchange support

4.2 Employer Demographic Data

The employer demographic transaction provides employer/group-related data to the Carriers. DC Exchange compiles the demographic data in an XML file in following scenarios:

- New employer/group on boarded to the DC Exchange
- Updates to existing employer/group data
- Employer/Group termination

The DC Exchange will post Employer demographic file for Carrier access daily as this information becomes available. Carriers must download and import this information in advance of processing SHOP initial enrollments to ensure proper association with any transactions referencing the new employer.

The Carrier-assigned Group ID is the primary key for employers. However, the employer information must first be sent to the Carrier to assign the Group ID. Therefore, for the initial transaction from Exchange to Carrier, the employer's EIN will be used in place of the Group ID in the file name. Likewise, any 834 transactions will use the employer's EIN as the identifier in Loop 1000A.

Once the Carrier assigns the Group ID, the Carrier will upload an XML file that cross-references the EIN and Group ID. This file will use the employer's EIN in place of the Group ID. Once the DC Exchange processes this file, 1) all future 834 transactions, and 2) all updates to the employer demographic information, will use the Group ID.

Table 10 shows specifications related to this transaction.

Table 10: Employer Demographic Transaction Details

| | |
|-----------------------------|--|
| Interaction Model | Batch |
| File Name | EmployerData_YYYYMMddHHmm_<Issuer_ID>_<Group_ID>.xml.pgp |
| Frequency | Daily |
| Inbound File Format | XML file containing the demographics data |
| Outbound File Format | XML response indicating success/failure |
| Exchange Process | DC Exchange compiles data of all newly added employers/groups as well as of updated data of existing employers/groups into an XML file. The Carriers pick up the file, process it and then send appropriate XML response to DC Exchange. |
| Success | XML response with appropriate response code |
| Failure | XML response with appropriate error codes and description |
| Error Handling | Refer to Validation and Error Handling |

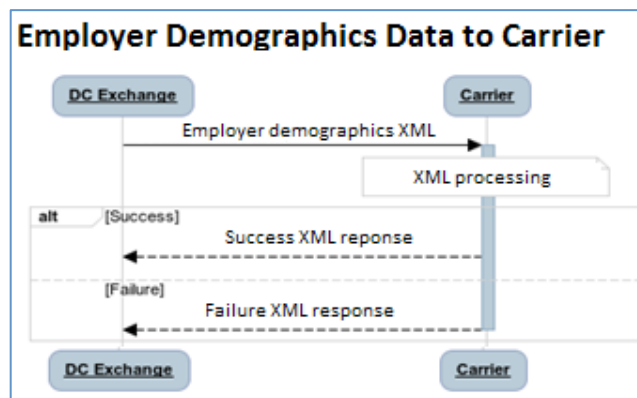


Figure 4: 834 Employer Demographics Data to Carrier

Figure 4 Sequence:

1. DC Exchange sends Employer Demographics Data in an XML file to Carrier.
2. The Carrier Successfully processes the XML before processing the 834 initial enrollments.
3. The Carrier Sends Success XML response.
4. In case of error processing the file Carrier sends a Failure XML response.
5. DC Exchange resends the file.
6. In case of issues Carrier contacts DC Exchange support.

5 Detailed Business Scenarios for 834

This section provides the DC Exchange-specific guidance related to the published X12 834 EDI standards, such as extending loop definitions or constraining allowable codes.

5.1 Initial Enrollment

The DC Exchange will generate separate 834 files for initial enrollments and maintenance of enrollments. The intent is to simplify management and processing of carrier-produced effectuation notifications by separating them from maintenance files, which use a different approach to confirmation where necessary.

Enrollment 834 records are further subdivided as follows:

1. Individual enrollments in one file only
2. SHOP enrollments in one file for employer.

In other words, a separate SHOP enrollment file will be generated for each employer group.

The trigger to send an initial enrollment to the Carrier is an applicant is determined eligible by the DC Exchange, a QHP is selected; and the binder payment either cleared or flagged for invoice processing by Carrier. Table 11 shows specifications related to this transaction. Figure 5 is a sequence diagram that illustrates the initial enrollment process.

Table 11: Initial Enrollment Transaction Details

| | |
|-----------------------------|---|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_E_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the companion guide published by DC Exchange. |
| Outbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Exchange Process | DC Exchange compiles all enrollment related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level. |
| Failure | Refer to Validation and Error Handling |

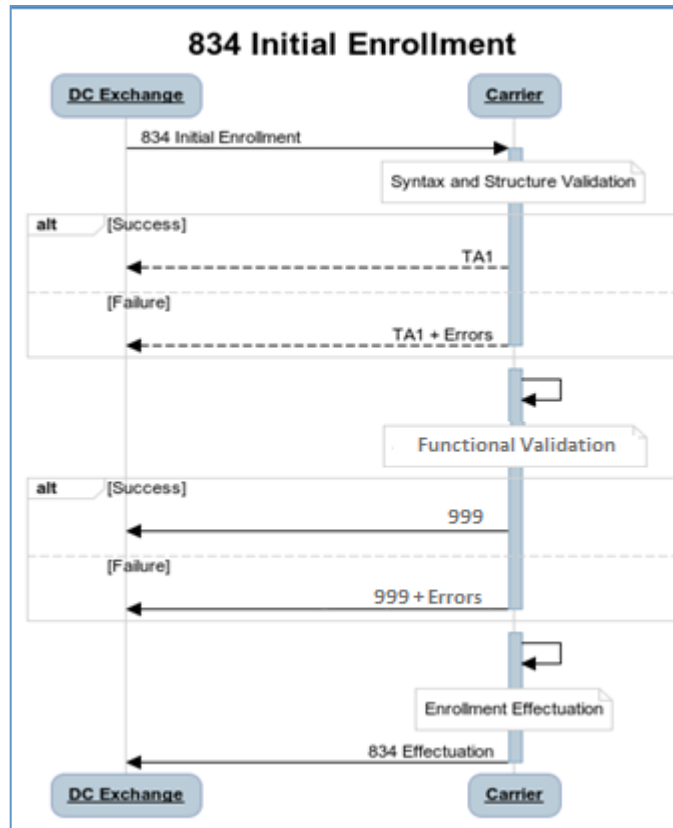


Figure 5: 834 Initial Enrollment Sequence Diagram

Figure 5 Sequence:

1. DC Exchange sends EDI X12 834 Enrollment Data file to Carrier.
2. Carrier sends:
 - a. Acknowledgment (TA1) back to the DC Exchange, or
 - b. In case of envelope errors, the Carrier sends an acknowledgment (TA1) identifying the errors.
3. Carrier processes the file and sends:
 - a. Functional acknowledgment (EDI X12 999) without error codes to the DC Exchange if there are no functional errors in the file, or
 - b. In case of error scenario, the Carrier sends a functional acknowledgment (EDI X12 999) along with the error codes.
4. In case of no functional errors, the Carrier carries out enrollment effectuation process and sends an effectuation data file (EDI X12 834) to the DC Exchange.

Subscribers and Dependents must be sent as separate occurrences of Loop 2000 within the same file.

The enrollee's SSN, if available, is transmitted in the NM1 segment on the initial enrollment transactions but is not included in maintenance transactions between Carriers and the DC Exchange.

The DC Exchange has extended the 2700/2750 loops, as required by CMS for FFE engagements. According to the FFE Guide the 2700 Loop – Member Reporting Categories Loop, a number of Member Reporting Categories, and associated

information must be transmitted in 834. When there is no information to be sent, for example, it is an indication that the individual does not qualify for the given category.

When the 2700 Loop is present, the 2750 will be sent and the DC Exchange will populate the following fields in the 2750 Loop:

- Rating area used to determine premium amounts (premium category). DC does not use rating areas so this will never be transferred.
- Premium amount (premium category)
- Total premium for the health coverage sent at the member level (premium category)
- APTC amount (APTC category) - sent when the member qualifies for APTC. If the member has elected no APTC amount, then zero shall be transmitted
- CSR amount (CSR amount category) sent when the member qualifies for CSR. If the member does not qualify then no CSR amount shall be sent.
- Total individual responsibility amount (payment category)
- Total employer responsibility amount (payment category) – SHOP

In addition to the above fields, the District Exchange will add: N102 value of “CARRIER TO BILL” that indicates the individual has chosen to have the Carrier collect the first month’s premium.

Table 12 specifies the 834 initial enrollment message structures for transmission from the DC Exchange to Carrier.

Table 12: Initial Enrollment Supplemental Instructions (DC Exchange to Carrier)

| Loop | Element | Element Name | Code | Instruction |
|--------|---------|-------------------------------|------|---|
| Header | BGN | Beginning Segment | | |
| | BGN08 | Action Code | 2 | “Change” Used to identify a transaction of additions |
| Header | DTP | File Effective Date | | |
| | DTP01 | Date Time Qualifier | 303 | “Maintenance Effective.” Date the enrollment information was collected by the exchange. |
| Header | QTY | | | Will transmit all three iterations of this segment for each for the qualifiers specified in QTY01. |
| Header | QTY01 | Quantity Qualifier | TO | TO = Transaction Set Control Totals |
| | | | DT | Dependent Total. Will transmit to indicate that the value conveyed in QTY02 represents total number of INS segments in this ST/SE set with INS01 = “N” |
| | | | ET | Employee Total. Will transmit to indicate that the value conveyed in QTY02 represents the total number of INS segments in this ST/SE set with INS01 = “Y” |
| 1000A | N1 | Sponsor Name | | See Table 7 herein for Individual market and Table 8 for SHOP market |
| 1000B | N1 | Payer | | Identifies the carrier. |
| | N103 | Identification Code | FI | Federal Taxpayer ID. Will transmit until the HPID is required. |
| | | | XV | Will transmit after the HPID is required. (Unique National Health Plan Identifier). |
| 1000C | N1 | TPA/Broker Name | | |
| | N101 | Entity Identifier Code | BO | Broker or Sales Office. Will transmit when Broker is involved in this enrollment or |
| | | | TV | Third Party Administrator (TPA). Will transmit when TPA is involved in this enrollment. |
| | N102 | Name | | TPA or Broker Name. Will transmit when Broker or TPA is involved in this enrollment. |
| | N103 | Identification Code Qualifier | 94 | Will transmit. Code assigned by the organization that is the ultimate destination of the transaction set or |
| | | | FI | Federal Taxpayer’s Identification Number or |
| | | | XV | Centers for Medicare and Medicaid Services Plan ID. |
| | N104 | Identification Code | | Code identifying a party or other code. - Will transmit when Broker or TPA is involved in this enrollment. |
| | | | | |

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| Loop | Element | Element Name | Code | Instruction |
|-------|---------|--|------------|---|
| 2000 | INS | Member Level Detail | 2000 | |
| | INS01 | Response Code | Y | Yes – the individual is a subscriber |
| | | | N | No – the individual is a dependent |
| | INS02 | Relationship Code | | |
| | INS03 | Maintenance Type Code | 021 | “Addition” |
| | INS04 | Maintenance Reason Code | EC | “Member Benefit Selection” Will transmit when member has selected a Carrier. |
| | INS05 | Benefit Status Code | A | “Active” |
| | INS08 | Employment Status Code | AC | “Active” |
| 2000 | REF | Subscriber Identifier | | |
| | REF01 | Reference Identification Qualifier | 0F | Subscriber number |
| | REF02 | Subscriber Identifier | | The Exchange Assigned ID of the primary coverage person. |
| 2000 | REF | Member Supplemental Identifier | | |
| | REF01 | Reference Identification Qualifier | 17 | Client Reporting Category |
| | REF02 | Member Supplemental Identifier | | Exchange Assigned Member ID |
| 2100A | NM1 | Member Name | | |
| | NM109 | Member Identifier | | Will transmit the member’s SSN when known. |
| 2100A | PER | Member Communications Numbers | | |
| | PER03 | Communication Number Qualifier | | Will transmit three communication contacts – home phone, work phone, cell phone, or E-mail address when the information is available. Communication contacts will be sent in this order: 1st – Primary Phone (“TE”) 2nd – Secondary Phone (“AP”) 3rd – Preferred Communication Method (“EM” for E-mail or “BN” for a phone number for receiving text messages). If no preferred communication method is chosen, the third communication contact will not be sent. |
| 2100A | N3 | Member Residence Street Address | | |
| 2100A | N4 | Member City, State, ZIP Code | | |
| | N404 | Country Code | | Will transmit only if not U.S. |
| 2100F | | Custodial Parent Loop | | The Custodial Parent will be send when known |
| 2100G | | Responsible Person Loop | | Responsible person information will be sent when known for members below age of 18, as minors are legally incapable of entering into a contract. The responsible person may be parent or guardian. |
| 2100G | PER | Responsible Person Communication Numbers | | |
| | PER03 | Communication Number Qualifier | | Will transmit three communication contacts – home phone, work phone, cell phone, or email address when the information is available. Communication contacts will be sent in the following order: 1st – Primary Phone (“TE”) 2nd – Secondary Phone (“AP”) 3rd – Preferred Communication Method (“EM” for E-mail or “BN” for a phone number for receiving text messages). If no preferred communication method is chosen, the 3 rd communication contact will not be sent. |
| 2300 | HD | Health Coverage | | |
| | HD03 | Insurance Line Code | DEN HLT | |

| Loop | Element | Element Name | Code | Instruction |
|------|---------|--|-----------------|--|
| 2300 | DTP | Health Coverage Dates | | |
| | DTP01 | Date Time Qualifier | 348 | "Benefit Begin" – on initial enrollment the effective date of coverage will be provided |
| 2300 | REF | Health Coverage Policy Number | | |
| | REF01 | Reference Identification Qualifier | CE | Individual. "Class of Contract Code" – Carrier ID Purchased is the Assigned Plan Identifier. This is represented as the HIOS Plan ID Component + subcomponent. |
| | | | E8 | Small Business. "Service Contract (Coverage) Number" Will transmit Employer Group Number in the associated REF02 element. |
| | | | 1L | Will transmit when the Exchange Assigned Policy Identifier will be conveyed in the associated REF02 element. |
| 2310 | NM | Provider Information Loop | | This segment will be transmitted when a provider NPI is available. |
| | NM101 | Entity Identifier Code | P3 | "Primary Care Provider" |
| | NM108 | Identification Code Qualifier | XX | Centers for Medicare and Medicaid Services National Provider Identifier |
| | NM109 | Identification Code | | The NPI will be transmitted as entered by the subscriber on enrollment. |
| | NM110 | Entity Relationship Code | 72 | "Unknown" The exchange will not specify whether the member is an existing patient of the provider. |
| 2320 | | Coordination of Benefits Loop | | This loop will be transmitted when other insurance coverage has been identified. |
| 2330 | | Coordination of Benefits Related Entity Loop | | This loop will be transmitted when other insurance coverage has been identified. |
| 2700 | | Member Reporting Categories Loop | | This loop will be transmitted when additional premium category reporting is appropriate. |
| 2750 | N1 | Reporting Category | | This loop will be transmitted only when the 2700 loop exists |
| | N101 | Entity Identifier Code | 75 | Participant. This loop will be transmitted only when the 2700 loop exists |
| | N102 | Name | Carrier to Bill | This loop will be transmitted only when the 2700 loop exists |

5.2 Enrollment Effectuation

An effectuated 834 is created by the Carrier and sent to the DC Exchange for successfully processed 834 initial enrollment transactions. Also, additions of dependent members to an existing subscriber policy will require an Effectuation. Table 13 shows specifications related to this transaction.

The Carrier must return the original information transmitted on the Initial Enrollment transaction, in addition to the information detailed in Table 14.

Table 13: Enrollment Effectuation Transaction Details

| | |
|----------------------|--|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_EF_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Outbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the companion guide published by DC Exchange. |

| | |
|-------------------------|---|
| Exchange Process | Carriers return all the information transmitted on the initial enrollment transaction in addition to effectuation related information. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | DC Exchange sends EDI X12 TA1 to Carrier as an acknowledgement after no errors are found at the interchange level. DC Exchange sends EDI X12 999 to Carrier as an acknowledgement after no errors are found at the functional group level. |
| Failure | Validation and Error Handling |

Table 14: Enrollment Effectuation Instructions (Carrier to DC Exchange)

| Loop | Element | Element Name | Code | Instruction |
|--------|---------|---|------|--|
| Header | BGN | Beginning Segment | | |
| | BGN06 | Original Transaction Set Reference Number | | Transmit the value from BGN02 in the initial enrollment transaction. |
| Header | QTY | Transaction Set Control Totals | | If the transaction set control totals sent with the Initial Enrollment transaction are not accurate for this confirmation/effectuation, transmit accurate totals instead of the values received in the Initial Enrollment transaction. |
| | QTY01 | Quantity Qualifier | TO | Total - Will transmit to indicate that the value conveyed in QTY02 represents the total number of INS segments in this ST/SE set. It is required for all transactions. |
| | | | DT | Dependent Total. - Will transmit to indicate that the value conveyed in QTY02 represents the total number of INS segments in this ST/SE set with INS01 = "N" |
| | | | ET | Employee Total – Will transmit to indicate that the value conveyed in QTY02 represents the total number of INS segments in this ST/SE set with INS01 = "Y" |
| 2000 | INS | Member Level Detail | | |
| | INS03 | Maintenance Type Code | 021 | "Addition" |
| | INS04 | Maintenance Reason Code | 28 | "Initial Enrollment" |
| 2000 | REF | Member Supplemental Identifier | | |
| | REF01 | Reference Identification Qualifier | 23 | Transmit with the Carrier Assigned Member ID conveyed in REF02. |
| | | | ZZ | Transmit with the Carrier Assigned Subscriber ID conveyed in REF02. |
| | | | 17 | Transmit with the Client Reporting Category from the initial enrollment for the member conveyed in REF02 |
| 2100B | | Incorrect Member Name Loop | | Do not transmit this loop unless it was included in the 834 transaction that is being confirmed. |
| 2300 | DTP | Health Coverage Dates | | . |
| | DTP01 | Date Time Qualifier | 348 | "Benefit Begin" The Actual Enrollment Begin Date must be transmitted when confirming initial enrollment transactions. |
| | REF | Health Coverage Policy Number | | |

| Loop | Element | Element Name | Code | Instruction |
|------|---------|--|------|--|
| | REF01 | Reference Identification Qualifier | X9 | Transmit with the Carrier assigned Health Coverage Purchased Policy Number conveyed in the associated REF02 element. |
| 2700 | | Member Reporting Categories Loop | | One iteration of this loop is required for all confirmations. |
| 2750 | N1 | Reporting Category | | See Sections 9.5 and 9.6 of the CMS guide for explicit instructions related to the 2750 loop. |
| | N102 | Member Reporting Category Name | | "ADDL MAINT REASON" |
| 2750 | REF | Reporting Category Reference | | |
| | REF01 | Reference Identification Qualifier | 17 | "Client Reporting Category" |
| | REF02 | Member Reporting Category Reference ID | | Transmit this text: "CONFIRM" |

5.3 Cancellation

An 834 cancellation transaction will be used when coverage is cancelled prior to the effective date of enrollment. The DC Exchange or the Carrier may initiate a cancellation.

A cancellation may be initiated any time prior to the effective date of the initial coverage. Situations where the DC Exchange may cancel an enrollment include: an individual obtaining coverage through an employer prior to the start of coverage and requesting a cancellation, or an individual moving out of a coverage area before coverage is started.

A Carrier may initiate a cancellation when the applicant member requests billing by the Carrier and doesn't make payment within the grace period. Table 15 shows specifications related to this transaction. Information specific to the DC Exchange implementation of cancellation transactions is outlined in Table 16.

Table 15: Enrollment Cancellation Transaction Details

| | |
|-----------------------------|---|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_M_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the companion guide published by DC Exchange. |
| Outbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Exchange Process | DC Exchange/Carrier compiles all cancellation related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized per the DC Exchange Benefit Enrollment Companion Guide. |
| Success | Receiving system sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Receiving system sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level. |
| Failure | Refer to Validation and Error Handling |

Table 16: Enrollment Cancellation Instructions

| Loop | Element | Element Name | Code | Instruction |
|------|---------|--|------|---|
| 2000 | INS | Member Level Detail | | |
| | INS03 | Maintenance Type Code | 024 | Cancellation |
| | INS04 | Maintenance Reason Code | | Any valid Maintenance Reason Code may be used. |
| | REF | Subscriber Identifier | | |
| | REF02 | Subscriber Identifier | | The Exchange Assigned ID of the primary coverage person. |
| | REF | Member Supplemental Identifier | | Transmit IDs shown below when they were present on the Initial Enrollment. |
| | REF01 | Reference Identification Qualifier | 17 | When the Exchange Assigned Member ID is conveyed in REF02. |
| | | | 23 | When the Carrier Assigned Member ID is conveyed in REF02. |
| | DTP | Member Level Dates | | |
| | DTP01 | Date Time Qualifier | 357 | Eligibility End Date. |
| | DTP03 | Status Information Effective Date | | The eligibility end date of the termination must be transmitted. |
| 2700 | | Member Reporting Categories Loop | | One iteration of this loop is required for all cancellations. |
| 2750 | N1 | Reporting Category | | See Sections 9.5 and 9.6 of the CMS guide for explicit instructions related to the 2750 loop. |
| | N102 | Member Reporting Category Name | | "ADDL MAINT REASON" |
| | REF | Reporting Category Reference | | |
| | REF01 | Reference Identification Qualifier | 17 | "Client Reporting Category" |
| | REF02 | Member Reporting Category Reference ID | | Transmit this Text: "CANCEL" |

5.4 Termination

Either the DC Exchange or the Carrier can initiate a termination transaction. Termination transactions are initiated in situations when enrollment will end on or after the effective date of coverage.

The DC Exchange may initiate a termination transaction for any valid reason; however the Carrier is only permitted to initiate a termination under certain circumstances: 1) non-payment of coverage, 2) death of the member, 3) plan decertification, or 4) fraud.

In both Individual and SHOP markets, when coverage is terminated, the termination of benefit end-dates is typically prospective – either mid-month (SHOP market only—based on employer rules), the end of the current month or a subsequent month. Terminations can be retrospective, however, when termination is due to nonpayment of premium or fraud. Also, in the SHOP market, terminations can be retrospective due to group termination rules. In the case of death of the member, the benefit end date will be retroactive to the end of the month of death.

Table 17 shows specifications related to this transaction. Information specific to the DC Exchange implementation of termination transactions is outlined in

Table 18.

Table 17: Enrollment Termination Transaction Details

| | |
|-----------------------------|---|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_M_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the companion guide published by DC Exchange. |
| Outbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Exchange Process | DC Exchange/Carrier compiles all termination related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | Receiving system sends EDI X12 TA1 to the transmitting system as an acknowledgement after no errors are found at the interchange level. Receiving system sends EDI X12 999 to the transmitting system as an acknowledgement after no errors are found at the functional group level. |
| Failure | Refer to Validation and Error Handling |

Table 18: Enrollment Termination Instructions

| Loop | Element | Element Name | Code | Instruction |
|------|---------|---|----------|---|
| 2000 | INS | Member Level Detail | | |
| | INS03 | Maintenance Type Code | 024 | Termination |
| | INS04 | Maintenance Reason Code | 03 59 | DC Exchange <-- Carrier. Carriers may terminate coverage only for 03 Death and 59 Non-Payment. Future versions of this guide will include forthcoming CMS Maintenance Reason Codes for Fraud and Plan Decertification |
| | INS04 | Maintenance Reason Code (DC Exchange → Carrier) | | Any valid Maintenance Reason Code may be used. |
| | REF | Subscriber Identifier | | |
| | REF02 | Subscriber Identifier | | The Exchange Assigned ID of the primary coverage person. |
| | REF | Member Supplemental Identifier | | Transmit IDs shown below when they were present on the Initial Enrollment. |
| | REF01 | Reference Identification Qualifier | 17 | When the Exchange Assigned Member ID is conveyed in REF02. |
| | | | 23 | When the Carrier Assigned Member ID is conveyed in REF02. |
| | DTP | Member Level Dates | | |
| | DTP01 | Date Time Qualifier | 357 | Eligibility End Date |
| | DTP03 | Status Information Effective Date | | The eligibility end date of the termination must be transmitted. |
| 2300 | DTP | Health Coverage Dates | | |
| | DTP01 | Date Time Qualifier | 349 | Benefit End Date |
| 2700 | | Member Reporting Categories Loop | | One iteration of this loop is required for all cancellations. |
| 2750 | N1 | Reporting Category | | See Sections 9.5 and 9.6 of the CMS guide for explicit instructions related to the 2750 loop. |
| | N102 | Member Reporting Category Name | | "ADDL MAINT REASON" |
| | REF | Reporting Category Reference | | |

| Loop | Element | Element Name | Code | Instruction |
|------|---------|--|------|-----------------------------|
| | REF01 | Reference Identification Qualifier | 17 | "Client Reporting Category" |
| | REF02 | Member Reporting Category Reference ID | | Transmit this Text: "TERM" |

5.5 Change Transactions

The DC Exchange will issue a standard 834 Change transaction to update information that has changed. Simple examples are changes in member name and/or contact information. The Exchange will trigger transactions for life change events, such as eligibility changes due to age-out and self-reporting. A special case life change event is adding dependent members to existing policy. This change requires an effectuation response from the Carrier.

Since changes often trigger eligibility redetermination, only the DC Exchange can initiate a Change transaction. If the Carrier receives notice of a change, this information must be communicated directly to the DC Exchange to trigger initiation of an 834 Change transaction.

Table 19 shows specifications related to this transaction.

Table 19: Change Transaction Details

| | |
|-----------------------------|---|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_M_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide. |
| Outbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Exchange Process | DC Exchange compiles all the changes to enrollment data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level. |
| Failure | Refer to Validation and Error Handling |

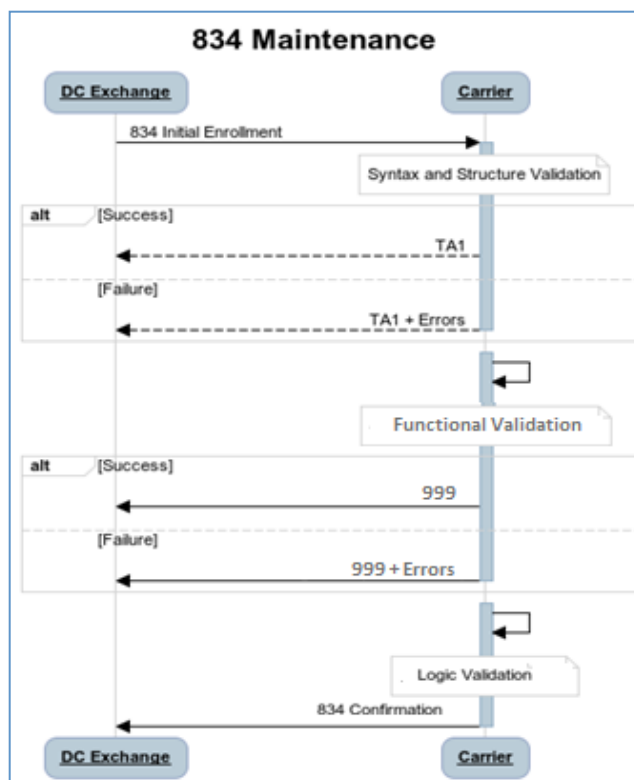


Figure 6: 834 Maintenance Sequence Diagram

Figure 6 Sequence:

1. DC Exchange sends EDI X12 834 Maintenance Data file to Carrier.
2. Carrier sends:
 - a. Acknowledgment (TA1) back to the DC Exchange, or
 - b. In case of envelope errors, the Carrier sends an acknowledgment (TA1) identifying the errors.
3. Carrier processes the file and sends:
 - a. Functional acknowledgment (EDI X12 999) without error codes to the DC Exchange if there are no functional errors in the file, or
 - b. In case of error scenario, the Carrier sends a functional acknowledgment (EDI X12 999) along with the error codes.
4. In case of no functional errors the Carrier further processes the file and sends a confirmation file (EDI X12 834) to the DC Exchange.

5.6 Individual Market Re-Enrollment Supplemental Instructions

A re-enrollment transaction is generated when an enrollee who has been terminated needs to be re-enrolled. A potential reason for this transaction would be when the subscriber no longer is eligible and the remaining members of the enrollment group need to be re-enrolled under a new subscriber.

In this situation, the previous Carrier subscriber identifier will be conveyed as a member supplemental identifier, accompanied by the Exchange-generated subscriber identifier for the new subscriber. Only the DC Exchange can initiate Re-Enrollment transactions.

Table 20 shows specifications related to this transaction. Information specific to the DC Exchange implementation of individual market re-enrollment transactions is outlined in Table 21.

Table 20: Individual Market Re-Enrollment Transaction Details

| | |
|-----------------------------|---|
| Interaction model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_M_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide. |
| Outbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Exchange Process | DC Exchange compiles all the individual market re-enrollment data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level. |
| Failure | Refer to Validation and Error Handling |

Table 21: Re-enrollment Instructions

| Loop | Element | Element Name | Code | Instruction |
|------|---------|------------------------------------|------|--|
| 2000 | INS | Member Level Detail | | |
| | INS04 | Maintenance Reason Code | 41 | "Re-enrollment" |
| | REF | Member Supplemental Identifier | | Transmit IDs shown below when they were present on the Initial Enrollment. |
| | REF01 | Reference Identification Qualifier | Q4 | "Prior Identifier Number." - When the previous Carrier Assigned Subscriber ID will be conveyed in REF02. |

5.7 Reinstatement

A Reinstatement transaction is generated when an enrollee who has been cancelled or terminated needs to be reinstated. For example, eligibility has terminated and the customer appeals after termination has already taken effect. The DC Exchange or the Carrier can initiate Reinstatement transactions. Table 22 shows specifications related to this transaction.

Except as noted in Table 23, the Reinstatement transaction will contain all the information transmitted on the Initial Enrollment Transaction.

Table 22: Reinstatement Transaction Details

| | |
|-----------------------------|---|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_M_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide. |
| Outbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Exchange Process | DC Exchange compiles all the reinstatement related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. |

| | |
|----------------|---|
| | Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level. |
| Failure | Refer to Validation and Error Handling |

Table 23: Reinstatement Instructions

| Loop | Element | Element Name | Code | Instruction |
|------|---------|-------------------------|------|---|
| 2000 | INS | Member Level Detail | | |
| | INS04 | Maintenance Reason Code | 41 | In the context of a Reinstatement, the “Re-enrollment” code will be used. |

5.8 Change in Health Coverage

The DC Exchange will send two Coverage Level Change transactions to the Carrier when an enrollee’s health coverage level changes.

The first Coverage Level Change transaction will convey a health coverage termination for the prior coverage level, followed by a second Coverage Level change transaction to convey the enrollment in the new health coverage level (new coverage).

When coverage is terminated in this scenario, the benefit end dates must always be prospective – either the end of the current month, or a subsequent month. The benefit begins date for the new coverage specified in the new enrollment transaction will be the first of the following month.

Table 24 shows specifications related to this transaction.

Table 24: Change in Health Coverage Transaction Details

| | |
|-----------------------------|---|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_M_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide. |
| Outbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Exchange Process | DC Exchange compiles all the reinstatement related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level. |
| Failure | Refer to Validation and Error Handling |

5.9 Termination Due to Address Change

The DC Exchange will send two transactions to the Carrier when a change of address results in a termination. The first transaction will communicate the change of address and the second will initiate the termination. Table 25 shows specifications related to this transaction.

Table 25: Termination Due to Address Change Transaction Details

| | |
|-----------------------------|---|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_C_M_I_1.pgp |
| Frequency | Daily |
| Inbound File Format | EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide. |
| Outbound File Format | EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1) |
| Exchange Process | DC Exchange compiles all the data related to coverage termination due to address change in respect to the Carrier into an EDI X12 834 file format. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level. |
| Failure | Refer to Validation and Error Handling |

6 Audit/Reconciliation

The DC Exchange will periodically generate and send to the Carrier a standard 834 “audit or compare” file: BGN08 code value of 4, and a Maintenance Type Code of “030” in both INS03 in Loop 2000 and HD01 In Loop 2300. This file will contain all enrollment data for the active enrollments present on that day. An Audit file contains the complete, current view of the membership. Terminated members are not included in the audit file after they have been included in at least two previous files.

Carriers will process the 834 audit file, generating and sending back to the DC Exchange a report containing differences between Carrier and DC Exchange’s records. The DC Exchange and Carrier will then collaboratively resolve these discrepancies. The report structure and format will follow the Reconciliation Report template.

In practice, the audit and reconciliation process will take place on a monthly basis. Immediately following launch, reconciliations are scheduled for October 15th and November 15th. The DC Exchange has established this schedule to: 1) help mitigate risk by identifying anomalies and exceptions early, and 2) minimize the impact of issues through competent and rapid response. On or around December 1st, the DC Exchange will review this policy with Carriers to evaluate need for a December 15th reconciliation and schedule going forward.

Table 26 shows specifications related to this transaction.

Table 26: Audit/Reconciliation Transaction Details

| | |
|-----------------------------|---|
| Interaction Model | Batch |
| File Name | E.g. 834_201305141422Z_CFBCI_DCHBX_A_F_I_1.pgp |
| Frequency | Two weeks following launch, monthly thereafter |
| Inbound File Format | EDI X12 834 – Benefit Enrollment & Maintenance (005010220A1) as per the companion guide published by DC Exchange. |
| Outbound File Format | Reconciliation report |
| Exchange Process | DC Exchange compiles data of all enrollees corresponding to the Carrier into an EDI X12 834 file format. Data is also customized <i>per the DC Exchange Benefit Enrollment Companion Guide</i> . |
| Success | Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level. |
| Failure | <i>Refer to section 12.2.4 834 Error Transaction</i> |

7 Validation and Error Handling

All EDI transactions on the DC Exchange will use the X12 TA1/999 interchange and implementation acknowledgement protocols. For details on error handling process refer to [DC Exchange Transaction Error Handling Guide](#).

8 CMS Reporting

8.1 Initial Enrollment and Effectuation to CMS

The exchange rule requires that Carriers reconcile enrollment files with DC Exchange at least once per month and that DC Exchange reconcile enrollment information with Carriers and CMS on a monthly basis.

The DC Exchange will send all effectuation transactions, plus the individual enrollment file to CMS only for the individuals who did not make payments to DC Exchange directly. The exchanges with DC Exchange and CMS are described below in the following figures.

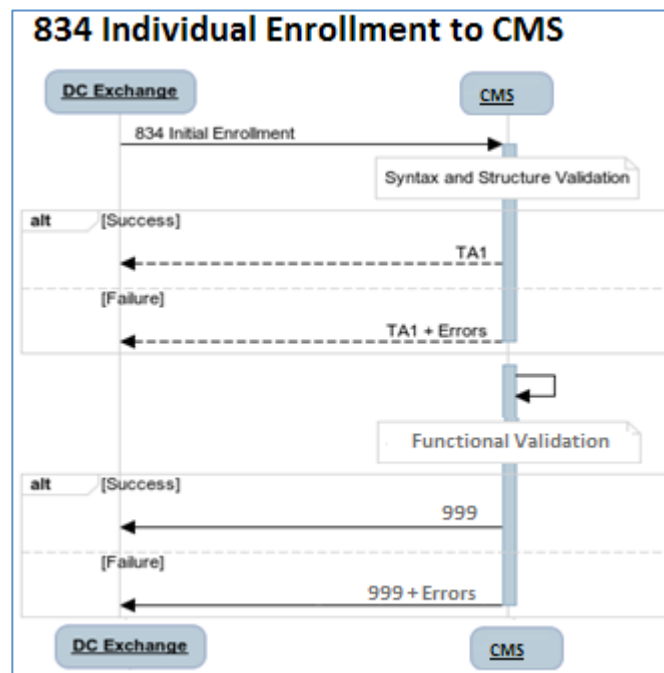


Figure 7: 834 Individual Enrollments to CMS Sequence Diagram

Figure 7 Sequence:

1. DC Exchange sends EDI X12 834 Enrollment Data file to CMS.
2. CMS sends:
 - a. Acknowledgment (TA1) back to the DC Exchange, or
 - b. In case of envelope errors, the CMS sends an acknowledgment (TA1) identifying the errors.
3. CMS processes the file and sends:
 - a. Functional acknowledgment (EDI X12 999) without error codes to the DC Exchange if there are no functional errors in the file, or
 - b. In case of error scenario, CMS sends a functional acknowledgment (EDI X12 999) along with the error codes.
4. In case of no functional errors CMS further processes the file.

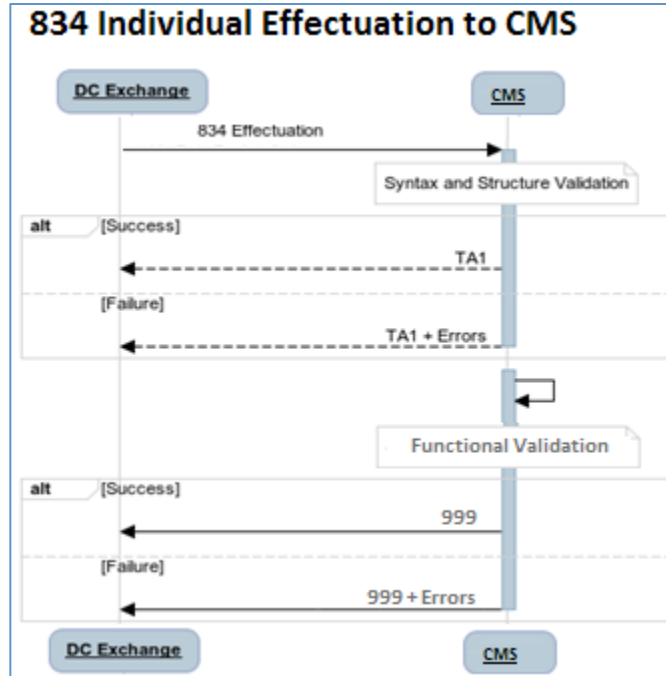


Figure 8: 834 Individual Effectuation to CMS Sequence Diagram

Figure 8 Sequence:

1. DC Exchange receives Effectuation file from Carrier.
2. DC Exchange re-envelopes the Effectuation file.
3. DC Exchange sends EDI X12 834 Effectuation file to CMS.
4. CMS sends:
 - a. Acknowledgment (TA1) back to the DC Exchange, or
 - b. In case of envelope errors, CMS sends an acknowledgment (TA1) identifying the errors.
5. CMS processes the file and sends:
 - a. Functional acknowledgment (EDI X12 999) without error codes to the DC Exchange if there are no functional errors in the file, or
 - b. In case of error scenario, CMS sends a functional a=
 - c. cknowledgment (EDI X12 999) along with the error codes.
6. In case of no functional errors CMS further processes the file.