

## EDI/WCAIS Update

The EDI update went into effect September 16, 2016, and claims representatives handling Pennsylvania workers' compensation no longer generate the initial documents utilized to accept or deny a workers' compensation claim. Rather, the claims representative enters data into the appropriate field or fields on the EDI system and the EDI system generates that document. When EDI changed this process, many were not aware that EDI eliminated the ability to generate a Notice Stopping Temporary Compensation (Stoppage) when a Notice of Compensation of Payable (NCP) follows that Stoppage.

That is, if you enter data in the fields to generate a Stoppage and an NCP, only the NCP will be issued. This is a non-issue if your intention is to issue an indemnity NCP. However, if your intention is to issue a Medical-Only Notice of Compensation Payable (MO NCP) following either a return to work or a job offer, the Stoppage will not be generated. In light of this new development, you should issue a Stoppage along with a Notice of Workers' Compensation Denial (NCD). We are already seeing Penalty Petitions on this issue because, in the former situation, WCAIS only contains a NTCP and a MO NCP. WCAIS will not contain the Stoppage even if the claims representative enters the appropriate data in the appropriate fields to create the Stoppage. The Act requires the Stoppage in order to properly pull the NTCP. The following chart exemplifies the wrong way and the right way for future reference.

NTCP	NTCP
↓	↓
Stoppage	Stoppage
↓	↓
MO NCP	NCD (check #4 or #6)
(Wrong)	(Right)

If you run into this situation and a Penalty Petition has been filed, the claims representative may have to testify and/or provide log notes to show the intention. We don't believe a penalty is warranted but unfortunately it will need to be defended if the issue is pressed. It is impossible to predict how each judge will handle this situation. Please call us if you have questions.

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