

Australian Standard™

**Guide to implementation of an
electronic medical claim message for
simplified billing in Australia**

This Australian Standard was prepared by Committee IT-014, Health Informatics. It was approved on behalf of the Council of Standards Australia on 5 April 2003 and published on 8 May 2003.

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This Standard was issued in draft form for comment as DR 02372.

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First published as AS 4705—2003.

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Published by Standards Australia International Ltd
GPO Box 5420, Sydney, NSW 2001, Australia

ISBN 0 7337 5218 7

PREFACE

This Standard was prepared by the Standards Australia Committee IT-014-10-02, Finance and Billing Working Group under the direction of the Australian members of the Joint Standards Australia/Standards New Zealand Committee IT-014 on Health Informatics. After consultation with stakeholders in both countries, Standards Australia and Standards New Zealand decided to develop this Standard as an Australian Standard rather than an Australian/New Zealand Standard.

The objective of this Standard is to provide business and technical managers with an understanding of the scope of the simplified billing message for medical services and define the basic data structure of a medical message for simplified billing.

This Standard should be read in conjunction with AS 4937 *Electronic messages for exchange of claim and related information*.

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FOREWORD

A complete electronic commerce solution comprises several components—network infrastructure, data security measures and standard data formats.

For more information on data security measures, please refer to HB 174 *Information security management—Implementation guide for the health sector*.

The messages are designed to cover the transmission of claims for in-hospital medical services from medical practices to billing agents or health funds and from billing agents or health funds to the Health Insurance Commission.

The message upon which this Standard is based is MEDRUC (medical resource usage and cost message), a UN/EDIFACT (United Nations Electronic Data Interchange for Administration Commerce and Transport) Standard Message designed to send healthcare claims for the purposes of reimbursement. A complete description of the MEDRUC structure is available at (http://www.unece.org/trade/untidd/dlast/trmd/medruc_d.htm). It is a *bi-directional message* so it is also designed to cover response messages detailing benefits paid. This specification includes two additional guidelines for the response message using MEDRUC (giving detailed claim-level reconciliation advice) and a remittance advice (REMADV) that provides top-level details on payment to the claimant's bank account. The latter message is also a United Nations Standard Message in the UN/EDIFACT D.97B directory.

Codes and details of message senders and recipients may differ according to the user of the messages within the proposed message flows detailed below, but the message structure will remain essentially the same.

UN/EDIFACT syntax is a message format endorsed by Standards Australia and published as AS/NZS 3801:1995. AS/NZS 3801 is an adoption of ISO 9735:1988/Amd.1:1992. The relevant EDIFACT directory is D.97B.

It was decided not to include hospital and medical services in a single message at this time for the following reasons:

- (a) The widespread use and acceptance of the NCG hospital claim message and its close relationship with the Hospital Casemix Protocol data formats legislated by the DHA (Department of Health and Ageing).

NOTE: It is planned to move to UN/EDIFACT when the business needs of current users are no longer met by the current hospital claim formats.

- (b) Hospital and medical claims will not always be sent to the funders at the same time or by the same party.

STANDARDS AUSTRALIA

Australian Standard

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1 SCOPE

This Standard defines the basic data structure of a medical message for simplified billing and suggests a method for billing agent implementation.

The simplified billing message is designed to transmit claims relating to *medical services* and transmit information about the benefits paid.

NOTE: A complete definition of Simplified Billing is given in Clause 3.

Data element summaries are provided for:

- (a) Simplified Billing Medical Claim using MEDRUC (medical resource usage cost message) D.97B version.
- (b) Response to Simplified Billing Medical Claim using MEDRUC
- (c) REDMADV (remittance advice message) D.97B version

MEDRUC and REDMADV are standard messages from UN/EDIFACT Directory D.97B.

This Standard does not include claims for those hospital services (including theatre, accommodation, critical care, prostheses, pharmaceuticals, and other non-medical services) currently covered by the NCG hospital claim message.

NOTE: Separation of hospital and medical claim data for the purposes of EDI does not preclude a billing agent from providing a single account for hospital and medical services to the patient if they are a hospital billing agent. The EDI data flows are independent of the final paperwork presented to the patient.

Other business procedures that are outside the scope of this Standard are :

- (i) Health fund eligibility information for providers.
- (ii) Error information provided to the sender if data received is missing or corrupted.
NOTE: This will be covered by an application error and acknowledgement message (APERAK) that will be the subject of a separate Standard.
- (iii) Financial/billing information internal to an organization such as a hospital.

The data flows for messages within the scope of this Standard are defined in Figure 1 which shows the flows which may occur for simplified billing depending on what type of process is being followed. It covers the third party billing agent, medical purchase provider agreement (MPPA), HPPAs with Practitioner agreements and Gap Cover Schemes.

The flows are self-explanatory and are implemented by utilizing the data formats set out in this Standard.

NOTE: It will be necessary to contact the Health Insurance Commission to determine any special requirements that may need to be taken into account.