Chapter 4
Process Flow

The Enterprise EDI Gateway (Gateway) is a critical component to the process of exchanging electronic transactions with trading partners. Its programs expedite the movement of transactions to their destinations by performing the following functions:

- Editing for syntax according to the X12 Control and Transaction standards
- Balancing control segment values
- Returning the following reports:
  - Reject Report wrapped in the 864 Text Message (returned only if ISA/IEA or GS/GE contains basic syntax errors)
  - TA 1 Interchange Acknowledgment (returned only if ISA/IEA or GS/GE contain data errors)
  - 997 Functional Acknowledgment
  - Level 2 Status Report wrapped in the 864 Text Message
  - Level 3 Claims Adjudicated Claims Response, wrapped in the 864 Text Message (applies to 837 transactions only)
- Routing transactions to appropriate destinations

During this process flow, the following major events occur:

1. The transaction undergoes a series of edits (Levels 1 and 2) at the Gateway.
2. The Gateway sends reports to the trading partner with Levels 1 and 2 edit results.
3. The Gateway routes the edited claim to the Anthem business and processing systems for pre-adjudication edits (Level 3 edits) and adjudication.
4. The Anthem processing system sends claims detail results to the Gateway, which routes them to the trading partner.

This chapter provides a diagram showing the process flow of 837 Health Care Claim transactions between trading partners and Anthem Blue Cross and Blue Shield (Anthem). This chapter also provides receipt timeframes for the reports and acknowledgments we send in response to ANSI ASC X12N transactions and explains the three edit levels.

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1 Level 1 edits check for correct syntax according to the X12 Control and Transaction Standards. Level 2 edits check for code set and X12N structure compliance. For more information on edit levels, see Section 4.3 in this chapter.

2 Level 3 edits are Anthem-specific business edits. For more information on edit levels, see Section 4.3 in this chapter.
4.1 ANSI X12 Process Flow

The flowchart below shows the basic process flow for the following transactions between Anthem and trading partners:
- 837 Health Care Claims (Professional, Institutional, and Dental)
- 835 Payment Advice
- 270/271 Health Care Benefit Inquiry and Response
- 276/277 Claim Status Request and Response
- 278 Health Care Services Request for Review

The process begins with the transmission of an 837, 270, 276, or 278 from a trading partner to Anthem, and ends with Anthem’s response(s) to the trading partner.

For explanations of the reports cited below, see Part I, Chapter 7, Acknowledgments and Reports. For the delivery schedule, see Section 4.2 in this chapter. For explanations of edit levels, see Section 4.3 in this chapter.
4.2 Report and Acknowledgment Delivery Schedule

Anthem sends specific reports and acknowledgments in response to ANSI ASC X12N transactions received from trading partners. This section briefly describes those reports and acknowledgments and provides a timeframe for receipt.

4.2.1 Reports and Acknowledgments

We send the following acknowledgments and reports in response to ANSI ASC X12N transactions received from trading partners:

- **Reject Report**—Indicates the ISA/IEA or GS/GE segments failed basic syntax. **You receive the Reject Report only if we detect related errors.**

- **997 Functional Acknowledgment**—Confirms the receipt of your file and reports Level 1 errors (checking for correct syntax according to X12 Control and Transaction standards). (Applies to 837 and 27X transactions.)

- **864 Text Message**—The 864 Text Message provides the capability to electronically deliver messages, explanations, and other communications via the EDI process. Its purpose is to decode messages for the receiver in standard business language and not for computer processing. We use the 864 as a transport "wrapper" for the following reports and messages:
  - **TA1 Interchange Acknowledgment**—Indicates invalid data within the ISA/IEA or GS/GE segments. **You will receive a TA1 only if we detect related errors.**
  - **Level 2 Status Report**—This report communicates results from Level 2 editing. Level 2 edits check for code set and X12N structure compliance. (Applies to 837 and 27X transactions.)
  - **Level 3 Adjudicated Claims Response**—The Level 3 Adjudicated Claims Response provides the processing status for each valid file submitted to our production system. The Level 3 Adjudicated Claims Response is an Anthem proprietary format and is not an ANSI ASC X12N transaction. (Applies to 837 transactions only.)
  - **Alert Messages**—We send Alert Messages to electronic trading partners on an as-needed basis. Alert Messages contain a variety of information types.

See Part I, Chapter 7, Acknowledgments and Reports, for a detailed description of these reports.
4.2.2 Timeframes for Reports and Acknowledgments

During a typical business week, you can anticipate receiving reports and acknowledgments according to the timeframes in the chart below.

If a holiday schedule necessitates a delivery time change, we send an Alert Message to communicate the change.

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<th>Timeframes for Reports and Acknowledgments (We may exceed the timeframes below.)</th>
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4.3 Edit Levels

Anthem systems perform three levels of edits on claims in concurrence with recommendations of the Strategic National Implementation Process (SNIP) White Paper on Front-End Edits. Those edits include the following:

- Level 1 edits to check transaction format (X12),
- Level 2 edits to check for code set and X12N structure compliance business edits, and
- Level 3 edits are the application or pre-adjudication system edits.

The Strategic National Implementation Process (SNIP) White Paper on Front-End Edits states: “There are no reporting mechanisms required by the Transactions and Code Sets Final Rule. Maintaining an accurate audit trail is imperative to provide relevant feedback between trading partners. Today, the reporting of front-end edits between trading partners is inconsistent and incomplete. To solidify the audit process and add value to the transaction processing cycle, it is critical to include complete, accurate, and consistent reporting mechanisms between trading partners.”
4.3.1 Level 1 Edits
Level 1 edits check for correct syntax according to the X12 Control and Transaction standards. Errors are reported in the 997 Functional Acknowledgment. More specifically, Level 1 edits check the following:

- Interchange Control Header (ISA) and Interchange Control Trailer (IEA)
  - Correct ISA length (106 bytes, fixed length)
  - Legal separator and terminator value
  - Valid Receiver and Sender Identification

- Functional Group Header (GS) and Functional Group Trailer (GE)
  - Data content (control numbers, GE count, group identification, version)
  - Valid application identification

- Transaction Set Syntax (ST/SE)
  - Valid data types
  - Valid data separators and terminators
  - Valid transaction and segment identification
  - Overall data content and SE totals

4.3.2 Level 2 Edits
Level 2 edits check for code set and X12N structure compliance. Errors are reported on the Level 2 Status Report. More specifically, Level 2 edits check the following:

- Variables based on the Implementation Guide
- Code set values (internal and external)
- Looping structures
- Situational edits (inter-segment dependencies)
- Implementation Guide balancing rules
- Other Implementation Guide specific edits and requirements
- And enterprise wide business edits

4.3.3 Level 3 Edits
Level 3 edits are Virginia Anthem-specific business edits. Errors are reported on Level 3 Adjudicated Claims Response. More specifically, Level 3 edits check the following:

- Member identification lookup
- VA business rule edits