

Electronic Data Interchange (EDI) Training Aid

Reporting of Attorney Fees

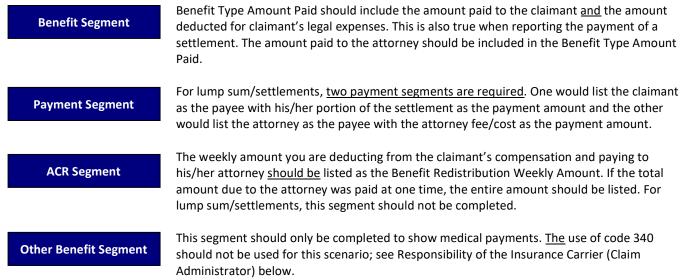
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When trying to determine how to report the attorney fees awarded to the Claimant's attorney, ask yourself the following question:

Who is responsible for the payment of the attorney fees, the claimant (deducted from compensation or paid directly by the claimant) or the Insurance Carrier (Claim Administrator)?

Claimant's Responsibility - reporting Attorney fees when they are awarded to be deducted from compensation

If the Commission awarded attorney fees to be deducted from the Claimant's compensation (indemnity and/or settlement payments) or they are to be paid directly by the claimant, the segments in your transactions should be completed as follows (this only addresses the amount paid and payee that are required):



Examples:

Scenario 1: Claimant is due \$5,000.00 in TT. \$500.00 was to be deducted and paid to the attorney. Attorney fee is responsibility of the claimant but is deducted from ongoing compensation.

- Benefit Segment Report \$5,000.00 as the Benefit Type Amount Paid for 050
- ACR Segment Report \$500.00 using the Redistribution Code K Claimant Attorney Fees.

The Other Benefit Segment should only be completed for this scenario if medical payments have been made. Scenario 2: Settlement issued, and Claimant is due \$10,000. \$1,500.00 was to be deducted and paid to the attorney. Attorney fee is responsibility of the claimant but is deducted from the settlement.

- Benefit Segment Report \$10,000.00 as the Benefit Type Amount Paid for 5xx
- ACR Segment This segment should not be completed for this scenario
- Payment Segment two payment segments are required:
 - 1. Report \$8,500 as the Payment Amount for 5xx with payee as the claimant
 - 2. Report \$1,500 as the Payment Amount for 5xx with the payee as the attorney
- ★ The Other Benefit Segment should only be completed for this scenario if medical payments have been made.



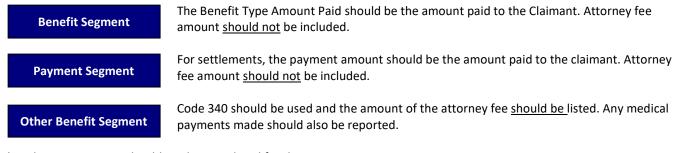
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<u>Insurance Carrier's Responsibility – reporting Attorney fees when they are awarded to be payable by the</u> <u>Insurance Carrier (Claim Administrator)</u>

If the Commission awarded claimant attorney fees to be payable by the carrier (claim administrator) and <u>not</u> deducted from the claimant's compensation, the segments in your transactions should be completed as follows (*this only addresses the amount paid and payee that are required*):



✤ The ACR Segment should not be completed for this scenario.

Examples:

Scenario 1: Claimant is due \$5,000.00 in TT. \$500.00 was awarded to Claimant's attorney but assessed against the Carrier and not deducted from the claimant's compensation.

- Benefit Segment Report \$5,000.00 as the Benefit Type Amount Paid for 050
- Other Benefit Segment Report \$500.00 as the Other Benefit Type Amount paid for 340
- ✤ The ACR Segment should not be completed for this scenario.

Scenario 2: Settlement is issued, and Claimant is due \$10,000. \$1,500.00 was awarded to Claimant's attorney but assessed against the Carrier and not deducted from the claimant's compensation.

- Benefit Segment Report \$10,000.00 as the Benefit Type Amount Paid for 5xx
- Payment Segment Report \$10,000 as the Payment Amount for 5xx with payee as the claimant
- Other Benefit Segment Report \$1,500.00 as the Other Benefit Type Amount paid for 340
- ★ The ACR Segment should not be completed for this scenario.