

Collateral Source

In our daily communication with clients, there have been some questions about properly reporting Collateral Source on Ontario Statutory Accident Benefits data. This TIPS bulletin outlines the correct way to report Collateral Source in respect to the Income Replacement Offset and the Extended Health Care Offset Indicators. Please check your systems to ensure you are reporting accordingly.

There are two Collateral Source Offset Indicators that are used to identify if the Loss Amount has been reduced by a Collateral Source. These are Income Replacement as indicated in column 312 or Extended Health Care as indicated in column 313.

The reporting of these Indicators is mandatory and the field cannot be left blank on transactions for accidents on or after January 1, 2004. Either a Y or an N must be reported, otherwise error codes G93 or G94 will be generated.

Collateral Source Offset Indicator – Income Replacement

Enter the code to identify whether the Loss Amount has been reduced by a Collateral Source providing Income Replacement benefits. Coding of this field is required only for paid indemnity losses (transaction type 6).

Income Replacement can have a Y for Collateral Source ONLY for the following Primary Kind of Loss:

120 - Income Replacement

140 - Caregiver

150 - Disability

If the Loss Amount paid under the Kind of Loss was not reduced by an Income Replacement Collateral Source, report N in this field.

Collateral Source Offset Indicator – Extended Health Care

Enter the code to identify whether the Loss Amount has been reduced by a Collateral Source providing Extended Health Care benefits. Coding of this field is required only for paid indemnity losses (transaction type 6).

Extended Health Care can have a Y for Collateral Source ONLY for the following Primary Kind of Loss:

170 - Supplementary Medical

180 - Rehabilitation

190 - Attendant Care

250 - Replacement of Personal Items

270 - Benefits provided under the Pre-approved Framework (PAF)

If the Loss Amount paid under the Kind of Loss was not reduced by an Extended Health Care Collateral Source, report N in this field.

An H38 or H39 error code will be generated if a Y is entered for Collateral Source with any other Kind of Loss not stipulated above. Also, an H38 & H39 error code combined together is often the result of reporting a Y on Collateral Source on both the Income Replacement and Extended Health Care. A loss payment can support only ONE Collateral Source Offset Indicator per transaction. Although the claimant can have both Income Replacement and Extended Health Care, the Indicator must reflect the kind of loss being reported on the particular transaction. Please see examples below:

Reporting KOL 120 - Income Replacement Collateral Source is Y and Extended Health Care is N

Reporting KOL 170 - Income Replacement Collateral Source is N and Extended Health Care is Y

If you would like further information please contact your DQA or e-mail dataquality@ibc.ca.