



ELECTRONIC REMITTANCE ADVICE (ERA)/ELECTRONIC FUNDS TRANSFER (EFT) FAQs

1. Q: What is Electronic Funds Transfer (EFT)?

A: EFT is the electronic exchange/transfer of money from one bank account to another. This is also known as Automated Clearing House (ACH).

2. Q: What is Electronic Remittance Advice (ERA)?

A: ERA is an electronic file containing claim payment information from the payer for providers who receive payments via EFT. The ERA file is similar to an electronic receipt or electronic explanation of benefits (EOB) for each claim.

3. Q: What is a HIPAA 835?

A: The HIPAA 835 transaction set is called Health Care Claim Payment and Remittance Advice. It has been specified by HIPAA 5010 requirements for the electronic transmission of healthcare payment and benefit information. The 835 is used primarily by Healthcare insurance plans to make payments to healthcare providers, to provide Explanations of Benefits (EOBs), or both. When a healthcare service provider submits an 837 Health Care Claim, the insurance plan uses the 835 to detail the payment to that claim.

4. Q: Which clearinghouse does CMO use for ERA/EFT?

A: CMO uses Emdeon and Post N Track (PNT) for delivery of 835/ERA data files for all clearinghouses, billing agencies, and vendors.

5. Q: What should I do if there is an issue with ERA/EFT?

A: Please contact CMO Provider Relations Department by calling 914-377-4477 or send an email to cmoproviderrelations@montefiore.org with a description of the issue, tax ID number, NPI number, EFT number, amount, and date of disbursement. A CMO Provider Relations staff member will handle the request.

6. Q: Are health plans required to offer ERA/EFT?

A: Yes, these changes in provider payments are being made in preparation for the Affordable Care Act operating requirements that go into effect on January 1, 2014. These requirements mandate that if a provider wishes to receive an EFT, the health plan must comply.

7. Q: How long will it take for me to receive my first EFT deposit?

A: After the completed EFT agreement is received and processed, you will be notified of the effective date. The initial process will take at least 30 days. There should not be any delay in payments during the set-up time. Your normal paper check scheduling will continue until EFT has been finalized and implemented.

8. Q: Do I have to receive ERA to receive my payments via EFT?

A: No, it is not required, but is recommended.

9. Q: How will my bank notify me that I have an EFT available?



A: Individual providers/facilities should work out the EFT notification process directly with their respective financial institutions.

10. Q: If I sign up for EFT will CMO deduct or remove money from the designated bank account?

A: No, CMO has no authority to deduct or remove any money from the bank account you have designated.

11. Q: How do I know whether my bank has the capability to accept electronic payment transfers?

A: The formats used in this process are standardized formats developed by the banking industry. Since Electronic Data Transfer is a form of direct deposit, any bank that accepts direct deposit can accept EFT payments.

12. Q: What if my banking information changes?

A: You will need to submit a revised EFT enrollment form to CMO. The same processing steps and time frame will apply as with initial EFT enrollment.

13. Q: Who should I call if I feel there is a problem in the transfer of funds for a particular day or time period?

A: First call your bank to verify if the funds have been received. If that does not resolve the problem, call the CMO Provider Relations Department at 914-377-4477 for assistance.

14. Q: Who should I contact if I have other questions about EFTs or other programs?

A: The CMO Provider Relations Department at 914-377-4477 can provide additional information regarding EFT, ERA, and other programs that might benefit your office.

15. Q: Is there a specific format for the EFT file that my bank can accommodate?

A: Yes. CMO uses the Cash Concentration and Disbursement (CCD) EFT format that has been recommended by the Health Insurance Portability and Accountability Act (HIPAA) and the Centers for Medicare & Medicaid Services (CMS). All commercial banks should be able to accommodate this format for EFT data.