BY THE KASA SOLUTIONS TEAM

Guide to the 837 File Format

EDI 837 is the format established to meet HIPAA requirements for the electronic submission of healthcare claim information. It's the electronic equivalent of the CMS-1500. The information in the EDI 837 file typically includes:

- A description of the patient
- The patient's condition related to the provided treatment
- The services provided
- The cost of the treatment

If you're submitting a CMS-1500 electronically, an EDI 837 file will be auto-generated. So why do you need to be able to navigate the 837 file format? In most cases, you'll never need to view the EDI 837. But when a claim is rejected or denied, the payer will reference the EDI 837 file in their explanation of what triggered the rejection or denial. You need to be able to read the file so you understand what the payer is referring to and how to correct any problems with your claim. This post serves as an 837 file format guide, walking you through each section of the file.

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Each EDI 837 file has three main components: loops, segments, and elements. Once you understand what each of these elements is and how they work together, deciphering the 837 will be much simpler.

A loop refers to a block of the EDI 837 file. These are the largest components of the file. Within each loop are several segments. And each segment contains a series of elements and sub-elements. You can think of the whole file as a book — the book (file) is composed of chapters (loops), which are composed of paragraphs (segments), which are composed of sentences (elements). Unfortunately, an EDI file isn't quite as easy to read as a book since each component can be difficult to distinguish.

EDI 837 File Loops

Loops are the trickiest to identify since their length ranges widely. Making it more confusing, loops can be embedded within larger loops, with the larger loop serving a similar purpose to a section (Part 1, Part 2, etc.) of chapters within a book. You'll be able to identify a loop by looking at the beginning of the block — most loops begin with an HL or NM1 Segment. Loops can be broken into five main components:

- 2000A = Billing Provider
- 2000B = Subscriber
- 2000C = Client (Only present if different from Subscriber)
- 2300 = Claim Information
- 2400 = Service Line Information

EDI 837 File Segments

Each segment is printed on its own line, and each of these lines ends with a tilde (~), called a segment separator. Thanks to the tilde, it's relatively easy to recognize segments. Every segment begins with a segment identifier code. Here are the most common codes:

- PRV = Provider
- SBR = Subscriber
- HL = Hierarchy
- NM1 = Name
- N3 = Street Address

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- N4 = City, State, and ZIP
- DTP = Date
- DMG = Demographic
- REF = Reference
- CLM = Claim
- LX = Line
- SV1 = Service

EDI 837 File Elements

Elements are the smallest components of the EDI 837 file. You'll recognize each element by the asterisk that appears in front of it. It's important to note that you'll see multiple elements on a single line. You'll know that a new element is beginning when you see an asterisk. The asterisks are known as element separators.

An element may contain sub-elements. Sub-elements are separated by a colon (:). If you see multiple asterisks or colons side-by-side, then the associated element or sub-element is empty.

You'll commonly see the following element identifier codes throughout the file:

- 41 = Claim Creator
- 40 = Claim Receiver
- 85 = Billing Provider
- 82 = Rendering Provider
- DN = Referring Provider
- IC = Information Contact
- 77 = Service Location
- 472 = Date of Service
- SY = Social Security Number
- EI = Tax ID (EIN)
- XX = NPI
- Y4 = Claim Casualty Number
- HC = Standard CPT Code

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- ABK = Principal Diagnosis
- ABF = Diagnosis

How Loops and Segments Correlate with the CMS-1500

Each loop and segment correlates with a section and field on the CMS-1500. For example, Loop 2000A includes information about the billing provider, Loop 2000B relates to the subscriber, Loop 2300 contains claim information, and Loop 2400 includes service line information. This resource by Availity provides a full list of how each loop and segment of the EDI 837 correlates with information on the CMS-1500.

Making Billing Easier with KASA

While the 837 file format can be intimidating, once you get a grasp on how it's set up and have a comprehensive list like the Availity resource linked above, deciphering the file is fairly straightforward. Understanding how the file works will allow you to more effectively respond to rejections and denials and increases your chance of getting resubmitted claims accepted.

A practice management solution like KASA can make billing much easier. You can file claims electronically with information stored digitally. The software saves time otherwise spent finding information stored in various locations and manually filling the CMS-1500. Check out our resource center to find other tips and tools you can use to streamline your practice management.

See how KASA can help make billing simpler so you can focus on helping your clients.

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