

USE OF SEGMENT ENT
RFI 2008-03, SEPTEMBER 2009

REQUEST

What do I need to purchase to determine an answer for the following question/situation:

As a bank we are accepting payments for a large utility from individual payers.

For transactions (payments) being made by utility customers with accounts with Regions, we create a CIE file in which the ENT segment is 4 elements. The 01 element is an incrementing number. 02 is the entity identifier code, (AG), 03 id code qualifier, and 04 id code. The N1 and RMR identify the individual payer.

For transactions (payments) received from the Fed 'on' any other bank/bank customer (not Regions) to the utility's account with Regions we create an EI file with only one ENT element. The 1 element is an incrementing number. Then the N1 and RMR identify the individual payer. We only send the 01 element because we have no way of determining what elements 02-09 should be for an outside entity.

The utility wishes for us to include elements 02-04 for the ENT for outside transactions. I'm not certain at this point it is appropriate to do so.

REFERENCED X12 STANDARDS

A "Request for Interpretation" applies to a specific version of the X12 Standards. The author failed to provide a specific version of the standard in the request. We have chosen to base this response on Version 4 Release 1 (004010) of the X12 Standard. As the areas of the X12 Standards applicable to this interpretation have been relatively stable over time, it is likely that the same interpretation would be provided for all versions of the X12 Standards.

INTERPRETATION

Based on our understanding of the question, the use of the ENT in this fashion is not syntactically prohibited.

FURTHER DISCUSSION

If the question is correctly understood by X12F, the requestor is making utility payments on behalf of many individual payers by converting them into CIE payments to the utility, and is including an ENT, an N1 and an RMR within the single addenda record of each CIE.

We gather that the utility is expecting the individual payer to be identified in the context of the ENT. This is, however, not a common practice, nor an approach that X12 Finance recommends. We agree with the requestor that the identity of the individual payer is more appropriately conveyed in an N1 rather than an ENT.

The ENT02 through 04 were not designed to convey detailed information about the identity of individual payers or payees. Rather, they were intended to identify different divisions or other operating units within either the originating or receiving corporate entity, or both, in the context of a single 820 that is conveying multiple remittances.

Further information on the appropriate use of the ENT is provided in the Comments to that segment in the standard.

Should Regions have other business needs and/or a desire to influence future development and interpretation of the X12 standards, X12F invites and would cordially welcome Regions' membership in X12 and participation in the important work of X12F.