SuperStream Business Response Messaging Lessons Learned from MROR and CTER Pilots

Purpose

The purpose of this document is to review the lessons learned during pilot test groups for the implementation of Member Registration Outcome Responses (MROR) and Contribution Transaction Error Responses (CTER). This document summarises feedback and outcomes for issues raised as part of both pilots, as well as other relevant issues raised in production.

Background

MROR Pilot: April – May 2015

As part of the implementation of SuperStream response messaging, a pilot test group for Member Registration Outcome Responses (MROR) was established and exchanged messages in April and May 2015. The MROR pilot finished on 18th May and all APRA Funds were expected to start processing MROR messages as part of their normal operations from this date.

Business Response Messaging Framework development: July – October 2015

A number of issues were identified both as part of the MROR pilot, and during exchange of production response messages. CTER messages were not required to be implemented at this stage; however some industry participants chose to implement CTER messages early. Feedback from industry participants highlighted inconsistent approaches and behaviour throughout the response message lifecycle which was leading to inefficiencies and impacts to superannuation members.

The **Business Response Messaging Framework** (referred to in this document as the 'Framework') was developed with input from key industry participants on the types of issues that had been identified. The aim was to provide a clear and consistent approach for all participants in order for efficiency benefits to be realised. A draft of the Framework was published on the 9th September 2015 with the final version published on the 23rd October 2015 following the conclusion of the CTER pilot which tested the Framework. The key issues raised during the development of the Framework have been included in this document.

CTER Pilot: September – October 2015

The Business Response Messaging Pilot commenced on the 7th September 2015 and concluded Friday 16th October to test Contribution Transaction Error Response (CTER) messages.

The pilot aimed to validate the high value response messaging scenarios agreed in the Framework (primarily refunds). The pilot confirmed the need for industry to adopt the Framework in order to realise the full benefits of error messaging.

From the 19th October 2015, all solutions (including APRA fund products in active receiving mode) were expected to begin processing CTER messages as part of normal operations, unless an alternate start date was nominated.

It was recognised at the time that some aspects of the Framework may not have been adopted by all participants by 19 October 2015. However, it is now expected that all response message solutions are compliant with the Framework, unless there is an alternate agreement in place with the ATO.

1. Member Registration Request (MRR) and Member Registration Request Response (MROR)

1.1. MRR NEW REGISTRATIONS

1.1.1. OBSERVATION

A response is required for member registration in an MRR initial registration message.

MRR new registrations were tested and MRORs (containing the allocated member ID) were generated and received successfully.

1.1.2. RECOMMENDATION

As per the *Data and Payment Standards – Contributions Message Implementation Guide* MROR (success) messages must contain the member ID allocated to the newly registered member.

1.2. MRR UPDATE REJECTIONS

1.2.1. ISSUE

Some choice funds only accept updates from the member themselves, so the MRR updates are being rejected.

No response is required for an MRR update message, and many sending solutions do not wish to receive rejection messages.

1.2.2. RECOMMENDATION

It is optional for a fund to apply updates from MRR update messages. A response to an MRR update (i.e. a rejection) is also optional.

The fund may have an internal legal/compliance requirement to send a response; however as employer solutions may not want to see the responses each time, a specific error code has been created for this scenario so the response messages can be filtered out as appropriate. Refer to the Framework – scenario S024.

1.3. REPEATED MRRS

1.3.1. ISSUE

As outlined in the ASP Best Practice paper 'ASPBP011 – Nil Advice'; some solutions appear to have been designed to generate combined messages for every transaction. That is every superannuation payment is completed with both a MRR and a CTR message even where the MRR does not contain either registration or amended employee details.

1.3.2. RECOMMENDATION

This is contrary to the intent of the standard as it is not efficient processing. After the initial MRR, an MRR update should only be sent where the member's information has changed. This has been addressed as part of the Framework – refer to scenario S027.

1.4. MRR ERRORS

1.4.1. ISSUE

An MRR requires a response for each member level transaction contained in the message.

If a member registration is unable to be accepted then an MROR (error) response must be sent, however there was no specific error code to cater for this.

1.4.2. RECOMMENDATION

Only one MROR (error) must be sent for any given response scope level and it should contain details of all errors discovered for that response scope. Refer to the Framework for definitions and rules of the response scope.

It is not correct to send multiple responses, each containing successive errors discovered, for an individual response scope.

A new error code has been created to report errors in MRR messages – refer to scenario S023 in the Framework.

2. Contribution Transaction Request (CTR) and Contribution Transaction Error Response (CTER) messages

2.1 CTER AND MROR ERROR CONTENT AND RECONCILIATION

2.1.1 ISSUE

Prior to the development of the Framework, inconsistent and incomplete implementations of error processing were encountered particularly as part of interim manual processes for error handling.

The following points were noted:

a)   Not all the required information to identify and remediate an error was being supplied.
b)   The error code or description was not included.
c)   The member contribution context id from the message was not being included.
d)   Incorrect error messages were being sent instead of warnings.
e)   Refund payments corresponding to CTERs were not being sent in a timely manner.
f)   Payments were being bulked and sent at a later date and this causes difficulty in reconciliation.
g)   The Progressive response pattern was not used consistently due to different interpretations.

2.1.2 RECOMMENDATION

The above issues resulted in the development of the Framework, which addresses the issues by providing clear and consistent rules and definitions, as well as example scenarios. This Framework was tested as part of the CTER pilot, and the outcome of the testing showed that where the Framework had been adopted, the reconciliation process was much easier, particularly for error messages involving refunds. The pilot showed that until the Framework is fully adopted by all industry participants there will continue to be reconciliation issues. It is now expected that response message solutions are compliant with the Framework, unless there is an alternate agreement in place with the ATO.

2.2 ZERO DOLLAR CONTRIBUTIONS

2.2.1 ISSUE

As outlined in the ASP Best Practice paper 'ASPBP011 – Nil Advice', the current Contributions Message Implementation guideline allows a service provider (e.g. payroll, clearing house) to send through contribution amounts which are positive and zero. The Contribution message standard does not specify that a zero contribution amount should not be issued to a fund.

Funds have identified that some service providers are sending through contribution messages with zero contribution amounts. Zero contributions could result from the employee having no work activity for a pay period resulting in zero salary and zero contribution amounts. The employer's payroll is not filtering these zero contributions

amounts when the payroll prepares and submits the contribution transaction request message and payment for all employees.

2.2.2 RECOMMENDATION

Issuing of zero contribution amounts provide no value to a fund, employer or member. Zero contributions amounts add processing effort to a fund, and the gateway network, and result in additional charges when sent through gateway providers. A zero contribution amount could potentially be charged by gateway provider as a transaction cost to a fund.

It is recommended as a best practice that employers and/or their service providers filter and do not include zero contribution amounts in the Contribution Transaction Request messages issued to funds. The recommendation also relates to the conversion of a SAFF file where fields for MRRs where no new member or amendment has been made should not be included or if there is a zero CTR contribution included.

2.3 MIXED TRANSACTION OUTCOMES FOR A GIVEN MEMBER

2.3.1 ISSUE

Each event item in an error or response message contains a severity which also indicates the transaction outcome. There were differing interpretations of the transaction outcome at event item level, and some funds were sending messages with a mixture of error, information and warning event items. This makes the transaction outcome ambiguous.

2.3.2 RECOMMENDATION

Response messages must not be sent containing a mixture of transaction outcomes for the same member context. If an error is encountered, the response message must not contain any event items with Warning or Information severity. Refer to the event item severity definitions and scenario S011 in the Framework.

2.4 TECHNICALLY INVALID CTR MESSAGES

2.4.1 ISSUE

There are differing interpretations in relation to how to treat technically invalid messages. Some solutions would prefer to send a CTER at the Document response scope level and retain the payment until a new CTR is issued, however this would be confusing for the employer solution would be expecting a refund if they received a CTER with a severity of error.

2.4.2 RECOMMENDATION

This scenario is to be handled out of band to rectify the CTR message and no refund is expected. As a refund will not be processed, a corrected new CTR with the original PRN will need to be sent allowing the transaction to be processed and reconciled. Refer to the Framework - scenario S010

2.5 COMMON ERROR THEMES

2.5.1 ISSUE

The CTER pilot included analysis on the error codes being sent in the response messages and an average of 5% of all CTR's resulted in a refund. There were two common error types that comprised almost 90% of the overall CTER messages sent. The following table summarises the key themes from the pilot:

Short Description	Error Code	% CTER
Member not found with supplied information	SUPER.GEN.GEN.21	46.37
No longer a member of Superannuation entity	SUPER.GEN.CNTRBTN.4	40.59
ABN not known to the message receiver	SUPER.GEN.GEN.11	4.70
Contribution cannot be accepted from this Contribution Provider	SUPER.GEN.CNTRBTN.8	4.70

2.5.2 RECOMMENDATION

The underlying causes of the common error types will need to be analysed further in order to determine what efficiencies can be put in place to reduce the overall number of rejections.

Develop an ongoing Response Message Efficiency Framework process for the collection and reporting of error message counts from senders in order to analyse common error trends and work towards reducing any identified inefficiencies.

APPENDIX – Summary of issues

Ref	Title	Recommendation Summary	Action
1.1	MRR New Registrations	As per the *Data and Payment Standards – Contributions Message Implementation Guide* MROR (success) messages must contain the member ID allocated to the newly registered member.	No action required as this is already part of the standard
1.2	MRR Update Rejections	It is optional for a fund to apply updates from MRR update messages. A response to an MRR update (i.e. a rejection) is also optional.	Apply the recommendation as per the Framework- refer to scenario S024
1.3	Repeated MRRs	After the initial MRR, an MRR update should only be sent where the member's information has changed.	Apply the recommendation as per the Framework- refer to scenario S027
1.4	MRR Errors	If a member registration is unable to be accepted then an MROR (error) response must be sent. Only one MROR (error) must be sent for any given response scope level and it should contain details of all errors discovered for that response scope. A new error code has been created to cater for this scenario.	Apply the recommendation as per the Framework- refer to scenario S023

Ref	Title	Recommendation Summary	Action
2.1	CTER and MROR error content and reconciliation	Prior to the Framework, a number of reconciliation issues were encountered due to inconsistent and incomplete implementations of error processing. The issues resulted in the development of the Framework. Reconciliation issues will continue to occur until the Framework has been fully implemented by all Industry participants.	It is expected that all response message solutions are now compliant with the Framework, unless otherwise agreed with the ATO.
2.2	Zero Dollar Contributions	Employers and/or their service providers filter and do not include zero contribution amounts in the Contribution Transaction Request messages issued to funds.	Follow the best practice recommendation outlined in this document.
2.3	Technically invalid CTR messages	If a CTR is received that is technically invalid, it is to be handled out of band to rectify the CTR message and no refund is expected. As a refund will not be processed a corrected new CTR with the original PRN will need to be sent allowing the transaction to be processed and reconciled.	Apply the recommendation as per the Framework- refer to scenario S010
2.4	Mixed transaction outcomes for a given member	Response messages must not be sent containing a mixture of transaction outcomes for the same member context. If an error is encountered, the response message must not contain any event items with Warning or Information severity.	Apply the recommendation as per the Framework – refer to Rules and Definitions, and scenario S011

Ref	Title	Recommendation Summary	Action
2.5	Common Error Trends	The underlying causes of the common error types will need to be analysed further in order to determine what efficiencies can be put in place to reduce the overall number of rejections.	ATO to develop an ongoing Response Message Efficiency Framework process for the collection and reporting of error message counts from senders in order to analyse common error trends and work towards reducing any identified inefficiencies.