

# Card Services

## Debit Solutions



April 3, 2019

FYI 19129

### Mastercard Spring 2019 Release

- 311: Informational; No Action Required
- 611: Need to Know; Action May Be Required
- 911: Urgent; Action May Be Required

Debit Card & ATM Programs  
Credit Gateway Programs

#### Summary

This notification includes upcoming network requirements for Mastercard's Spring 2019 Release, and may require system updates or additional attention by your organization.

The networks that route your debit and ATM card transactions regularly publish mandates with which participating institutions must comply. While your institution is ultimately responsible for its own compliance with network mandates, Card Services—as your business partner—works to meet many network rules and requirement changes on your behalf.

#### Summary of Changes

Network Requirements	Action Type
<a href="#">Real-Time Substantiation for Vision Enhancement Updates</a>	Action May Be Required
<a href="#">Various Chargeback Rule Updates</a>	Action May Be Required
<a href="#">Update: Account Data Compromise (ADC) Program</a>	Informational
<a href="#">Mastercard Affiliate Monthly Fee</a>	Informational

If you have any questions, please contact the Business Partner Client Services support group at 1-800-490-7681.

## Real-Time Substantiation for Vision Enhancement

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Action Type:	Action May Be Required
Platforms:	Legacy and enhanced EPOC
Impacts:	Debit Mastercard, Mastercard (Credit) and Maestro issuers

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Mastercard will add a vision prescription (Rx) total amount to the Real-Time Substantiation service that supports point-of-sale (POS) validation for qualified healthcare expenses. In order to accommodate the new POS transaction processing for this total vision prescription amount, the network will require the following technical updates.

### Technical Specifications

#### *EPOC ISO 8385 Online Specifications*

To meet Mastercard network requirements, Card Services will update the EPOC ISO 8385 Online Specifications to support the new value of 12 (Vision Rx Eligibility Amount) in positions 3-4 (Amount Type) of DE 125.55.

<b>Accel, Maestro and Debit MC Related Auto-Substantiation Additional Amounts Format</b>			
<b>Position</b>	<b>Byte</b>	<b>Name</b>	<b>Description</b>
1-2	2-3	Account Type	Type of Account Being Used Values: <ul style="list-style-type: none"> <li>• 00 = No Account Specified</li> <li>• 10 = Savings</li> <li>• 20 = Checking</li> <li>• 30 = Credit</li> </ul>
3-4	4-5	Amount Type	Values: <ul style="list-style-type: none"> <li>• 00 = Auxiliary Amount</li> <li>• 10 = FSA Eligible Expenditure</li> <li>• 11 = Prescription Eligibility Amount</li> <li>• 12 = Vision Rx Eligibility Amount</li> </ul>
5-7	6-8	Currency Code	3-digit Currency Code
8	9	Amount, Sign	Values <ul style="list-style-type: none"> <li>• C = Credit Amount</li> <li>• D = Debit Amount</li> </ul>
9-20	10-21	Amount	Qualified Healthcare Amount

### Various Chargeback Rule Updates

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Action Type:	Informational
Platforms:	Legacy and enhanced EPOC
Impacts:	Debit Mastercard, Mastercard (Credit), Maestro and Cirrus issuers and acquirers

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Mastercard Changes for compliance release of 4/12/2019:

Acquirer:

For reason code 0037/4837 (No Cardholder Authorization), an acquirer can no longer provide new information of merchant name or date to remedy this chargeback when initiating a second presentment. This applies when the merchant information is a complete mismatch between the authorization and clearing.

Issuer:

### Chargebacks

For reason code 0063/4863 (Cardholder Does Not Recognize), a cardholder letter or email is required as supporting documentation from the cardholder. The documentation must be a direct result of cardholder communication. Expedited Dispute Resolution forms will not be allowed.

A cardholder letter or email is required for first chargebacks for disputes reason codes involving Digital Goods or Recurring Payment transactions. Note: Even if a previous Recurring Payment dispute has been submitted, documentation is still required for subsequent chargebacks for that Recurring Payment dispute.

- For reason code 0034/4834 for Point of Interaction Dispute – Incorrect Transaction Amount/Transaction Amount differs, a final bill/receipt is required. The timeframe is reduced from 120 days to 90 days except for ATM chargebacks.
- For reason code 0031/4831 for Incorrect Transaction Amount/Transaction Amount differs, a final bill/receipt is required.
- For reason code 0040/4840 Fraudulent Processing of Transactions will not be allowed after April 12, 2019. This reason code is being retired. It stood for a card present situation where the cardholder authorized one transaction at a merchant location but the card was billed twice. The second charge is considered a fraudulent transaction process by the merchant. This reason code will no longer be available in the drop down for Mastercard Chargeback reason codes.

Pre-Compliance/Compliance

Unjust Enrichment will not be allowed via a Pre-Compliance/Compliance for first chargebacks processed on or after April 12, 2019. These must be resolved using the Chargeback Management process within timeframes. SecureCode (outside of a rejected chargeback)", "Counterfeit Goods", and "Timeframe Extension" are to be removed as Pre-Compliance/Compliance case reason codes. For all Compliance Case filings, a Pre-Compliance is required for all applicable compliance filing reasons, cases, products and/or transaction type excluding Fee Collection dispute situations. The Pre-Compliance/Compliance case filing timeframes are reduced from 180 days to 120 days from the central site processing date or date of violation or 45 days from the chargeback rejects date/fee collection date.

### Account Data Compromise Program

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Action Type:	Action May Be Required
Platforms:	Legacy and enhanced EPOC

Impacts: Debit Mastercard, Mastercard (Credit), and Maestro issuers

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Previously announced in 2015, Mastercard's Account Data Compromise program included a number of changes to the administration of the ADC program. These changes included an update to make ADC participation optional for issuers. Implementation of the program goes into effect with this release.

For 2019, Mastercard will administer the same modified leveraged program administered in 2018.

### 2019 ADC Program

Mastercard will continue to provide financial reimbursement to issuers in relation to qualifying ADC events. However, the following changes will take effect for any upcoming ADC events during 2019:

- Mastercard will offer all qualifying issuers operational reimbursement at the current rates.
- The network will not provide fraud recovery to any qualifying issuer for an ADC event.
- Issuers will not relinquish their rights to pursue recovery through other means, and will have their rights reinstated such that they may pursue fraud recovery and additional operational reimbursement through any means, including litigation.
- An annual ADC service fee will not be charged during 2019.

Fraud recovery and operational reimbursement for cases that are deemed to be 2016 and 2017 ADC events will follow the current process as outlined in the ADC User Guide.

### Mastercard Affiliate Monthly Fee

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Action Type:	Informational
Platforms:	Legacy and enhanced EPOC
Impacts:	Debit Mastercard, Mastercard (Credit), Maestro and Cirrus issuers and acquirers

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Beginning in May 2019, all Mastercard, Maestro and Cirrus issuers and acquirers sponsored by Fiserv or ICBA will receive a new fee on the April 2019 invoice. The Mastercard Affiliate Monthly Fee of \$55 will take effect for all April transaction billing, and may be seen on the April 2019 invoice.

In addition, the following items will no longer be billed to the same audience:

- Cirrus Membership Fee
- Anti-Money Laundering Monitoring
- Add or Change of Sponsorship
- Affiliate to Principal Transfer (Upgrade)
- Legal Name Change
- Manuals and Publications
- Merger/Acquisition

