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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte BEVERLY KENNEDY and ROBYN BARTLETT

Appeal 2017-008694
Application 14/310,978[1]
Technology Center 3600

Before CAROLYN D. THOMAS, MICHAEL J. ENGLE, and PHILLIP A. BENNETT, *Administrative Patent Judges*.

ENGLE, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellants appeal under 35 U.S.C. § 134(a) from a final rejection of claims 2–24, which are all of the claims pending in the application. We have jurisdiction under 35 U.S.C. § 6(b).

We REVERSE.

Technology

According to Appellants, "[t]he claimed subject matter relates to . . . providing 'right-time' claim adjudication and payment for patient healthcare services," which means "payment for healthcare services by a patient when visiting a healthcare provider." App. Br. 3; *see also* Spec. ¶¶ 2, 10, Title.

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[1] Appellants state the real party in interest is First Data Corp. App. Br. 3.

Illustrative Claim

Claim 2 is illustrative and reproduced below:

2. A system for providing right-time claim adjudication and payment for patient healthcare services that are provided at a provider location, where payment may be made by multiple payer sources, the system comprising:

a point of sale (POS) device for use by a provider in entering patient information for a patient, including at least patient ID information associated with the patient and a healthcare treatment code for the patient healthcare services provided to the patient;

a display device communicatively coupled to the POS device;

a host computer for receiving the patient information from the POS device, for submitting the patient information as a healthcare claim to a first payer source after the patient healthcare services have been provided to the patient, for submitting the patient information to an estimating system, for receiving from the estimating system estimated explanation of benefits (EOB) information in the form of an estimated EOB statement and in response to the healthcare claim, and for providing the estimated EOB information to the POS device for display at the display device, the estimated EOB information generated by the estimating system as an estimated adjudication of the healthcare claim and including at least information on an estimated patient portion amount of a provider charge that is not to be paid by the first payer source;

whereby the patient authorizes payment of the patient portion on a real-time basis to the provider while the patient is at the provider location in response to the estimated EOB information displayed at the display device associated with POS device; and

wherein the first payer source provides to the host computer final EOB information in the form of a final EOB statement in response to the healthcare claim to the first payer source and based on adjudication of the healthcare claim, the

> final EOB information separate from the estimated EOB information, and wherein a patient portion amount in the separate final EOB information is reconciled against the patient portion amount in the estimated EOB information.

Rejection

Claims 2–24 stand rejected under 35 U.S.C. § 101 for claiming ineligible subject matter. Final Act. 2–5.

ANALYSIS

The Examiner determines that "[t]he claims are directed to the abstract idea of estimating a patient portion owed for a healthcare claim at the point of sale and later reconciling the estimated portion with the actual amount owed according to the patient's insurer" and "the additional elements in combination (as well as individually) are not more than the non-conventional and non-generic arrangement of known, conventional elements." Ans. 4, 10 (emphasis omitted).

Even if the Examiner is correct that the claims are directed to the aforementioned abstract idea, we agree with Appellants that the Examiner has not provided sufficient factual findings demonstrating that the additional elements are well-understood, routine, and conventional. *See* Reply Br. 4.

Although we agree with the Examiner that § 101 is a separate test from §§ 102 and 103 and therefore an abstract idea can still be ineligible under § 101 despite the *abstract idea* being novel and non-obvious, Appellants' arguments do not end there. Ans. 8–9; *see also Genetic Techs. Ltd. v. Merial L.L.C.*, 818 F.3d 1369, 1376 (Fed. Cir. 2016) ("under the *Mayo/Alice* framework, a claim directed to a newly discovered law of nature (or natural phenomenon or abstract idea) cannot rely on the novelty of that discovery for the inventive concept necessary for patent eligibility"). Here,

Appellants' argument is not merely that the *abstract idea* or claims as a whole are novel, but rather "that the Examiner has failed to cite either prior art or court decisions finding the various features *beyond the abstract idea* as being well-understood, routine or conventional." Reply Br. 4 (emphasis added, quotation omitted).

After briefing in this case, the Federal Circuit addressed what is required in a "well-understood, routine, and conventional" determination:

> Whether something is well-understood, routine, and conventional to a skilled artisan at the time of the patent is a factual determination. Whether a particular technology is well-understood, routine, and conventional goes beyond what was simply known in the prior art. The mere fact that something is disclosed in a piece of prior art, for example, does not mean it was well-understood, routine, and conventional.

Berkheimer v. HP Inc., 881 F.3d 1360, 1369 (Fed. Cir. 2018).

Here, the Examiner provides a list of "additional elements" in the claim beyond the abstract idea, listing for example an "estimating system for generating estimated EOB information as an estimated adjudication of the healthcare claim." Ans. 5. Although the Examiner relies on the Specification for *some* of the hardware components (*see* Ans. 6 (citing Spec. ¶¶ 36, 38, 40, Fig. 1)), in light of *Berkheimer*, we agree with Appellants that the Examiner has not provided sufficient factual findings demonstrating that *all* of the identified "additional elements" beyond the abstract idea—alone or in combination—would have been well-understood, routine, and conventional. *See* Ans. 5.

Accordingly, we do not sustain the Examiner's rejection of claims 2–24 under § 101.

DECISION

For the reasons above, we reverse the Examiner's decision rejecting claims 2–24.

REVERSED