



## Comprehensive E-Billing Glossary

### A

**Adjustment:** A modification to an invoice amount, which can be an increase or decrease, often made to comply with billing guidelines or correct errors.

**Alternative Fee Arrangement (AFA):** Any billing method that is not based on hourly billing. Examples include flat fees, contingency fees, and success fees.

**Appeal:** The process of contesting rejected time entries or expenses on an invoice.

### B

**Billable Hour:** A traditional billing method where attorneys charge clients based on the time spent working on their matters.

**Billing Codes:** Standardized codes used to categorize different types of legal work or expenses.

**Billing Guidelines:** Rules set by clients that dictate how law firms should prepare and submit invoices.

**Block Billing:** The practice of grouping multiple tasks under a single time entry, often discouraged or prohibited by client guidelines.

### C

**Compliance:** Adherence to client billing guidelines and relevant regulations.

**Contingency Fee:** A billing arrangement where the attorney's fee is a percentage of the amount recovered for the client.

### D

**Disbursement:** An expense incurred on behalf of the client, such as court filing fees or expert witness costs.

### E

**E-Billing:** The process of preparing, submitting, and paying invoices electronically.

**E-Billing Platform:** Software used to manage the electronic billing process.

**EDI (Electronic Data Interchange):** The electronic communication of business transactions between organizations.

### F

**Flat Fee:** A predetermined amount charged for a specific legal service, regardless of the time spent.

### G

**GDPR (General Data Protection Regulation):** EU regulation on data protection and privacy that can impact e-billing practices when dealing with EU clients or data.

### H

**Hourly Rate:** The amount charged per hour of work performed by a legal professional.

### I

**Invoice:** A detailed bill for legal services rendered and expenses incurred.



## L

**LEDES (Legal Electronic Data Exchange Standard):** A set of file formats used for the electronic exchange of billing and other information between corporations and law firms.

**LEDES 1998B:** An older LEDES format that uses a fixed-length ASCII text file.

**LEDES 2000:** A LEDES format that uses XML and allows for more detailed billing information.

## M

**Matter:** A specific case, transaction, or legal issue that a law firm handles for a client.

## N

**Narrative:** A description of the work performed, typically required for each time entry on an invoice.

## O

**Outside Counsel Guidelines:** Policies set by a client to govern their relationship with external law firms, including billing practices.

## P

**Prebill:** A draft invoice reviewed internally before being sent to the client.

**Proforma:** Another term for a draft invoice or prebill.

## R

**Rate Card:** A document listing the hourly rates for different timekeepers within a law firm.

**Rejection:** When a client refuses to pay for certain time entries or expenses on an invoice.

## S

**Shadow Billing:** The practice of recording time for work performed under a flat fee arrangement, even though the client isn't billed by the hour.

**Split Billing:** Dividing a single invoice among multiple clients or matters.

## T

**Task-Based Billing:** A billing method that requires attorneys to categorize their time entries according to specific task codes.

**Timekeeper:** Any professional at a law firm who records billable time.

**Timesheet:** A record of the time spent by a legal professional on various tasks.

## U

**UTBMS (Uniform Task-Based Management System):** A set of codes used to classify legal work into various tasks and activities.

## V

**Value-Based Billing:** A billing method based on the perceived value of the services to the client, rather than time spent.



## W

**Write-Down:** A reduction in the amount billed compared to the amount that could have been billed based on the work performed.

**Write-Off:** The elimination of time or expenses from a bill, typically due to non-compliance with billing guidelines or internal quality control.