



Related MLN Matters Article #: MM5942

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Related CR #: 5942

### *Remittance Advice Remark Code (RARC) and Claim Adjustment Reason Code (CARC) Update*

#### Key Words

MM5942, CR5942, R1475CP, RARC, CARC, Remittance, Advice, RA

#### Provider Types Affected

Physicians, providers, and suppliers who submit claims to Medicare Carriers, Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), Part A/B Medicare Administrative Contractors (A/B MACs), and Durable Medical Equipment MACs (DME MACs) for services

#### Key Points

- The effective date of the instruction is April 1, 2008.
- The implementation date is April 7, 2008.
- Two code sets (the reason and remark code sets) must be used to report payment adjustments in remittance advice transactions.
- The reason codes are also used in some coordination-of-benefits transactions.
- The RARC list is maintained by the Centers for Medicare & Medicaid Services (CMS) and used by all payers. Additions, deactivations, and modifications to the RARC list may be initiated by any health care organization.
- The CARC list is maintained by a national Code Maintenance Committee that meets when X12 meets for their trimester meetings to make decisions about additions, modifications, and retirement of existing reason codes.
- The CARC and RARC code lists are updated three times a year, and are posted at <http://www.wpc-edi.com/Codes> on the Washington Publishing Company (WPC) website.
- The lists at the end of MLN Matters article MM5942 summarize the latest changes to these lists that was announced in Change Request (CR) 5942.

- CMS has also developed a new tool to help providers search for a specific category of code and that tool is available at <http://www.cmsremarkcodes.info> on the Internet.
- This website does not replace the WPC site. If there are any discrepancies in what is posted on this CMS website and the WPC site, providers should consider the WPC site to be correct.

## Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5942.pdf> on the CMS website.

The official instruction (CR5942) issued regarding this change may be found at

<http://www.cms.hhs.gov/Transmittals/downloads/R1475CP.pdf> on the CMS website.

For additional information about Remittance Advice, providers may refer to *Understanding the Remittance Advice (RA): A Guide for Medicare Providers, Physicians, Suppliers, and Billers* at

[http://www.cms.hhs.gov/MLNProducts/downloads/RA\\_Guide\\_Full\\_03-22-06.pdf](http://www.cms.hhs.gov/MLNProducts/downloads/RA_Guide_Full_03-22-06.pdf) on the CMS website.

If providers have questions, they may contact their Medicare Carrier, RHHI, DME MAC, FI, and/or A/B MAC at their toll-free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.