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

Key Words

MM4314, CR4314, R859CP, MM3845, CR3845, Remark, Remittance, Reason, RARC, CARC, Adjustment

Provider Types Affected

Physicians, providers, and suppliers who submit claims to Medicare contractors (Carriers, Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and Durable Medical Equipment Regional Carriers (DMERCs)) for services

Key Points

- The effective date of the instruction is April 1, 2006.
- The implementation date is April 3, 2006.
- Two code sets—the claim adjustment reason code set and the remittance advice remark code set—must be used to report payment adjustments in remittance advice transactions.
- The reason codes are also used in some coordination of benefits transactions.
- The remittance advice remark code (RARC) list is maintained by the Centers for Medicare & Medicaid Services (CMS), and used by all payers.
- Additions, deactivations, and modifications to the code list may be initiated by Medicare and non-Medicare entities.
- This list is updated three times a year, and posted at <http://wpc-edi.com/codes>.
- CMS has developed a new web site to help navigate the database more easily.
- The new website address is <http://www.cmsremarkcodes.info/>
- This website is not replacing the WPC website as the official site where the most current RARC list resides.
- MM4314 includes a summary of the changes made from July 1, 2005, through October 30, 2005, in the *Additional Information* section.

Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4314.pdf>

<http://www.cms.hhs.gov/Transmittals/downloads/R859CP.pdf>

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3845.pdf>

<http://www.cms.hhs.gov/transmittals/downloads/R133PI.pdf>

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