



Related MLN Matters Article #: MM4326

Date Posted: February 23, 2006

Related CR #: 4326

## *Remittance Advice Remark Code and Claim Adjustment Reason Code Update*

### Key Words

MM4326, CR4326, R860CP, Remittance, Remark, Reason, MA02, MA03, Transaction, 835, 837, CARC

### Provider Types Affected

Providers, physicians, and suppliers who bill Medicare Fiscal Intermediaries (FIs), including Regional Home Health Intermediaries (RHHIs), and Medicare carriers, including Durable Medical Equipment Regional Carriers (DMERCs)

### Key Points

- The effective date of the instruction is May 17, 2006.
- The implementation date is May 17, 2006.
- Effective December 29, 2005, Remark Code MA02 was updated to reflect the following narrative:  
*"If you do not agree with this determination, you have the right to appeal. You must file a written request for an appeal within 180 days of the date you receive this notice. Decisions made by a Quality Improvement Organization (QIO) must be appealed to that QIO within 60 days."*
- Within 30 days of release of CR4326, Remark Code MA03 will not be used for Medicare Fee for Service (FFS) and Medicare will update the current narrative of remark code MA02 in the same timeframe.
- Use the text posted on the Washington Publishing Company (WPC) web site if there are discrepancies between any code text included in this article and the corresponding text on the WPC website at <http://www.wpc-edi.com/codes>.
- There are two code sets that must be used to report payment adjustments, appeal rights, and related information for transaction 835 (Health Care Claim Payment/Advice) and standard paper remittance advice.
- These code sets, updated on a regular basis, include:
  - Claim Adjustment Reason Code (CARC)
  - Remittance Advice Remark Code (RARC)

- For transaction 837 COB, CARC must be used.

### Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4326.pdf>

<http://www.cms.hhs.gov/Transmittals/downloads/R860CP.pdf>

<http://www.wpc-edi.com/codes>