



Provider Inquiry Assistance

Claim Adjustment Reason Code (CARC), Remittance Advice Remark Code (RARC), and Medicare Remit Easy Print (MREP) Update – JA6901

Related CR Release Date: April 23, 2010

Date Job Aid Revised: May 7, 2010

Effective Date: July 1, 2010

Implementation Date: July 6, 2010

Key Words	MM6901, CR6901, R1950CP, CARC, RARC, MREP
Contractors Affected	<ul style="list-style-type: none"> • Medicare Carriers • Fiscal Intermediaries (FIs) • Part A/B Medicare Administrative Contractors (A/B MACs) • Regional Home Health Intermediaries (RHHIs) • Durable Medical Equipment Medicare Administrative Contractors (DME MACs)
Provider Types Affected	Provider types affected are physicians, providers, and suppliers who submit claims to Medicare Carriers, FIs, RHHIs, A/B MACs, and DME MACs for services.



Change Request (CR) 6901 announces the latest update of RARCs and CARCs, effective July 1, 2010.

NEW CARC CODES

Provider Needs to Know...

Code	Current Narrative	Effective Date Per WPC Posting
233	Services/charges related to the treatment of a hospital-acquired condition or preventable medical error.	1/24/2010
234	This procedure is not paid separately. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT.)	1/24/2010

There are no modified or deactivated CARC codes.

NEW RARC CODES

Code	Current Narrative	Medicare Initiated
N523	The limitation on outlier payments defined by this payer for this service period has been met. The outlier payment otherwise applicable to this claim has not been paid.	YES
N524	Based on policy this payment constitutes payment in full.	NO
N525	These services are not covered when performed within the global period of another service.	NO
N526	Not qualified for recovery based on employer size.	YES
N527	We processed this claim as the primary payer prior to receiving the recovery demand.	YES
N528	Patient is entitled to benefits for Institutional Services.	YES
N529	Patient is entitled to benefits for Professional Services.	YES
N530	Our records indicate a mismatch in enrollment information for this patient.	YES
N531	Not qualified for recovery based on direct payment of premium.	YES
N532	Not qualified for recovery based on disability and working status.	YES

MODIFIED RARC CODES

Code	Modified Narrative	Medicare Initiated
N216	We do not offer coverage for this type of service or the patient is not enrolled in this portion of our benefit package	NO
N522	Duplicate of a claim processed, or to be processed, as a crossover claim.	NO

There are no deactivated RARC codes.

Background

- 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 it may be initiated by any health care organization.

-
-
- The RARC and CARC lists are updated 3 times a year – in March, July, and November.
 - Both code lists are posted at <http://www.wpc-edi.com/Codes> on the Internet.
-
-

Operational Impact	N/A
-----------------------	-----

Reference Materials	<p>The related MLN Matters® article can be found at http://www.cms.gov/MLN MattersArticles/downloads/MM6901.pdf on the CMS website.</p> <p>The official instruction (CR6901) issued regarding this change may be found at http://www.cms.gov/Transmittals/downloads/R1950CP.pdf on the CMS website.</p>
------------------------	---
