



Remittance Advice Remark Code (RARC), Claims Adjustment Reason Code (CARC), Medicare Remit Easy Print (MREP) and PC Print Update

MLN Matters Number: MM11038

Related Change Request (CR) Number: 11038

Related CR Release Date: November 16, 2018

Effective Date: April 1, 2019

Related CR Transmittal Number: R4167CP

Implementation Date: April 1, 2019

PROVIDER TYPE AFFECTED

This MLN Matters Article is intended for physicians, providers and suppliers billing Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

PROVIDER ACTION NEEDED

CR 11038 updates the Remittance Advice Remark Code (RARC) and Claims Adjustment Reason Code (CARC) lists and instructs Medicare Shared System Maintainers (SSMs) to update Medicare Remit Easy Print (MREP) and PC Print. Be sure your staff are aware of these changes and obtain the updated MREP and/or PC Print software if they use that software.

BACKGROUND

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) instructs health plans to be able to conduct standard electronic transactions adopted under HIPAA using valid standard codes. Medicare policy states that CARCs and RARCs, as appropriate, which provide either supplemental explanation for a monetary adjustment or policy information that generally applies to the monetary adjustment, are required in the remittance advice and coordination of benefits transactions.

The Centers for Medicare & Medicaid Services (CMS) instructs MACs to conduct updates based on the code update schedule that results in publication three times per year – around March 1, July 1, and November 1. CMS provides CR11038 as a code update notification indicating when updates to CARC and RARC lists are available on the Washington Publishing Company (WPC) website. Medicare's SSMs must implement code deactivation, making sure that any deactivated code is not used in original business messages and allowing the deactivated code in derivative messages. The SSMs must make sure that Medicare does not

report any deactivated code on or after the effective date for deactivation as posted on the WPC website. If any new or modified code has an effective date later than the implementation date specified in CR 11038, MACs must implement on the date specified on the WPC website at <http://wpc-edi.com/Reference/>.

A discrepancy between the dates may arise, as the WPC website is only updated three times per year and may not match the CMS release schedule. The MACs and the SSMs must get the complete list for both CARC and RARC from the WPC website to obtain the comprehensive lists for both code sets and determine the changes that are included on the code list since the last code update CR (CR 10620).

ADDITIONAL INFORMATION

The official instruction, CR11038, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2018Downloads/R4167CP.pdf>.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

DOCUMENT HISTORY

| Date of Change | Description |
|-------------------|---------------------------|
| November 16, 2018 | Initial article released. |

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