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Information for Medicare Fee-For-Service Health Care Professionals

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CMS Releases New Educational Guide on Remittance Advice (RA) Notices

Note: This article was updated on February 26, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

All Medicare physicians, providers, suppliers, and their billing staff who submit claims to Medicare Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), Carriers, and Durable Medical Equipment Regional Carriers (DMERCs)

Provider Action Needed

This special edition article describes the release of a national educational guide for Medicare-Fee-For-Service (FFS) providers, physicians, suppliers and their billing staff who may wish to use the guide to help increase their understanding of the Remittance Advice (RA). The Guide is available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/RA_Guide_Full_03-22-06.pdf on the CMS website.

Background

The Medicare FFS program serves many of the more than 40 million Medicare beneficiaries enrolled in the Medicare Program. Under this program, more than 1 billion claims are submitted annually for reimbursement of health care services. The claims are processed by Medicare contractors, FIs, RHHIs, Carriers, and DMERCs. These Medicare contractors use the standard Remittance Advice (RA) as their means to communicate to providers claim processing decisions regarding payments, adjustments, and denials, as well as data that was missing or incorrect on the incoming claims which need to be submitted or corrected before a payment decision can be made on a claim.

Every day Medicare FFS contractors send thousands of RAs to providers. Each of these RAs conveys information that may impact the provider's Medicare business. CMS wants to be certain that providers understand how to read and interpret the RA; therefore, CMS has developed and is pleased to announce the release of *Understanding the Remittance Advice: A Guide for Medicare Providers, Physician, Suppliers and Billers*. This educational guide has useful information that is designed to be used as a self-help tool. The Guide offers the user the following benefits:

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- Easy access to general information about RAs without direct personal assistance from Medicare contractor customer service staff, thus saving valuable time;
- Increased ability to understand and interpret the reasons for claim denials and claim adjustments;
- Reduction in the resubmission of claims due to errors;
- Rapid follow-up action, resulting in quicker payment; and
- A useful tool for training new staff or a refresher for experienced staff.

The Guide is comprised of four chapters each highlighting a specific aspect of the RA, an acronym list, a glossary, important web sites and phone numbers, and three comprehensive indices: 1) for key terms and concepts; 2) for institutional ERA and SPR field descriptions; 3) professional SPR field descriptions. Each chapter and/or section of the Guide can be printed according to the provider's specific needs.

Print What Fits Your Needs

- Chapters 1 and 2 describe a RA and its components.
- Chapter 3 specifically targets institutional providers, i.e., those who submit claims to FIs and RHHs. and includes a sample Electronic Remittance Advice (ERA) and Standard Paper Remittance Advice (SPR) with field descriptions.
- Chapter 4 targets providers that submit claims to Carriers and DMERCS and includes a crosswalk between ERA and SPR fields and a sample SPR with field descriptions, specifically for professional providers. At the end of Chapters 3 and 4, providers can find information on remittance balancing.
- Reference A: Acronyms, a handy tool that contains acronyms used throughout the Guide.
- Reference B: Glossary, a list that contains terms used throughout this Guide.
- Reference C: Websites and Phone Numbers, a list of webpage references and address and phone number references that assist with submitting Medicare claims and troubleshooting denials and claim rejections.
- Reference D: Resources, a list of the resources that were used to compile the Guide and where to find them on the CMS web site.

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