

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services



**News Flash – Revised!** The publication titled “The National Provider Identifier (NPI): What You Need to Know” (revised February 2011), is now available in downloadable format. This booklet was created to help you become more familiar with the NPI (established by final rule on January 23, 2004). Covered entities under HIPAA are required by regulation to use NPIs to identify healthcare providers in HIPAA standard transactions. This publication may be downloaded from <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/NPIBooklet.pdf> on the Centers for Medicare & Medicaid Services (CMS) website.

MLN Matters® Number: MM7369

Related Change Request (CR) #: 7369

Related CR Release Date: May 6, 2011

Effective Date: July 1, 2011

Related CR Transmittal #: R2213CP

Implementation Date: July 5, 2011

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

**Note:** This article was updated on August 20, 2012, to reflect current Web addresses. All other content remains the same.

**Provider Types Affected**

This article is for physicians, providers, and suppliers who submit claims to Medicare contractors (carriers, Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), Medicare Administrative Contractors (MACs), and Durable Medical Equipment Medicare Administrative Contractors (DME MACs)) for service provided to Medicare beneficiaries.

**Provider Action Needed**

Change Request (CR) 7369, from which this article is taken, announces the latest update of Remittance Advice Remark Codes (RARC) and Claim Adjustment Reason

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Codes (CARCs) that are effective on July 1, 2011 for Medicare. Be sure your billing staff is aware of these changes.

## Background

The 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 (COB) transactions. The RARC list is maintained by the Centers for Medicare & Medicaid Services (CMS), and used by all payers. Additions, deactivations, and modifications to the list may be initiated by any health care organization. The RARC list is updated 3 times a year – in early March, July, and November, although the Committee meets every month.

Both code lists are posted at <http://www.wpc-edi.com/reference/> on the Washington Publishing Company (WPC) website. The lists at the end of this article summarize the latest changes to these code lists, as announced in CR7369.

## Additional Information

To see the official instruction (CR7369) issued to your Medicare Carrier, RHHI, DME MAC, FI and/or MAC, refer to <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R2213CP.pdf> on the CMS website.

If you have questions, please contact your Medicare Carrier, RHHI, DME MAC, FI and/or MAC at their toll-free number which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

## CR7369 Changes

### New Codes – CARC

Code	Current Narrative	Effective Date Per WPC Posting
236	This procedure or procedure/modifier combination is not compatible with another procedure or procedure/modifier combination provided on the same day according to the National Correct Coding Initiative.	1/30/2011

### Modified Codes – CARC:

None

### Deactivated Codes – CARC:

None

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**New Codes – RARC:**

Code	Current Narrative	Medicare Initiated
N542	Missing income verification	No
N543	Incomplete/invalid income verification	No

**Modified Codes – RARC:**

Code	Modified Narrative	Medicare Initiated
M37	Not covered when the patient is under age 35.	No
M116	Processed under a demonstration project or program. Project or program is ending and additional services may not be paid under this project or program.	No
N62	Dates of service span multiple rate periods. Resubmit separate claims.	No
N356	Not covered when performed with, or subsequent to, a non-covered service.	No
N383	Not covered when deemed cosmetic.	No
N410	Not covered unless the prescription changes.	No
N428	Not covered when performed in this place of service.	No
N429	Not covered when considered routine.	No
N431	Not covered with this procedure.	No

**Deactivated Codes – RARC:**

None

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