



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

MLN Matters Number: MM11638 **Revised**

Related Change Request (CR) Number: 11638

Related CR Release Date: **April 15, 2020**

Effective Date: July 1, 2020

Related CR Transmittal Number: **R10052CP**

Implementation Date: July 6, 2020

Note: We revised this article on April 16, 2020, to reflect an updated Change Request (CR) 11638 that revised the WPC website address in the background section of the CR (page 2 in this article). All other information remains the same.

### PROVIDER TYPES AFFECTED

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

### PROVIDER ACTION NEEDED

CR 11638 updates the Remittance Advice Remark Code (RARC) and Claims Adjustment Reason Code (CARC) lists and instructs the ViPS Medicare System (VMS) and Fiscal Intermediary Shared System (FISS) maintainers to update Medicare Remit Easy Print (MREP) and PC Print software. Be sure your billing staffs are aware of these changes and obtain the updated MREP and PC Print versions if they use that software.

### BACKGROUND

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

The Centers for Medicare & Medicaid Services (CMS) instructs MACs to conduct updates based on the RARC/CARC code update schedule that results in publication three times per year, around March 1, July 1, and November 1.

CMS provides a code update notification indicating when updates to CARC and RARC lists are made available on the Washington Publishing Company (WPC) website. The Medicare system maintainers have the responsibility to 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 maintainers 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 CR11638, MACs must implement on the date specified on the WPC website <https://nex12.org/index.php/codes>.

A discrepancy between dates may arise, as the WPC website is only updated three times per year and may not match the CMS release schedule. MACs and system maintainers must get the complete list for both CARCs and RARCs 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 (CR11489).

### ADDITIONAL INFORMATION

The official instruction, CR 11638, issued to your MAC regarding this change, is available at <https://www.cms.gov/files/document/r10052CP.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
April 16, 2020	We revised this article to reflect an updated CR 11638 that revised the WPC website address in the background section of the CR (page 2 in this article).
February 24, 2020	Initial article released.

**Disclaimer:** Paid for by the Department of Health & Human Services. This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2019 American Medical Association. All rights reserved.

Copyright © 2013-2020, the American Hospital Association, Chicago, Illinois. Reproduced by CMS with permission. No portion of the AHA copyrighted materials contained within this publication may be copied without the express written consent of the AHA. AHA copyrighted materials including the UB-04 codes and descriptions may not be removed, copied, or utilized within any software, product, service, solution or derivative work without the written consent of the AHA. If an entity wishes to utilize any AHA materials, please contact the AHA at 312-893-6816. Making copies or utilizing the content of the UB-04 Manual, including the codes and/or descriptions, for internal purposes, resale and/or to be used in any product or publication; creating any modified or derivative work of the UB-04 Manual and/or codes and descriptions; and/or making any commercial use of UB-04 Manual or any portion thereof, including the codes and/or descriptions, is only authorized with an express license from the American Hospital Association. To license the electronic data file of UB-04 Data Specifications, contact Tim Carlson at (312) 893-6816. You may also contact us at [ub04@healthforum.com](mailto:ub04@healthforum.com)

The American Hospital Association (the "AHA") has not reviewed, and is not responsible for, the completeness or accuracy of any information contained in this material, nor was the AHA or any of its affiliates, involved in the preparation of this material, or the analysis of information provided in the material. The views and/or positions presented in the material do not necessarily represent the views of the AHA. CMS and its products and services are not endorsed by the AHA or any of its affiliates.