



Adjustment of Medicare Claims Where Veteran Affairs Also Made Payment

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Effective Date: April 1, 2025	Related Change Request (CR) Number: CR 13694
Implementation Date: April 7, 2025	Related CR Transmittal Number: R13156MSP
Related CR Title: The Recovery and Adjustment of Medicare Claims where the Department of Veteran Affairs (VA) also Made Payment Using the Medicare Duplicate Payment (DP) Process	

Affected Providers

- Physicians
- Suppliers
- Other providers billing Medicare Administrative Contractors (MACs) for services they provide to Medicare patients

Action Needed

Make sure your billing staff knows about these changes starting April 1, 2025:

- CMS entered into a computer matching agreement (CMA) with the Department of Veterans Affairs (VA) to identify claims paid by both Medicare and the VA for patients who receive both Medicare and VA benefits
- We'll recover any duplicate payments
- You must bill services authorized by the VA to the VA
- Updates to the [Medicare Secondary Payer \(MSP\) Manual, Chapter 7](#), section 20.5.2

Background

We entered into a CMA with the VA, which allows us to recover duplicate payments for the same services made to providers by both Medicare and the VA. This recovery effort is referred to as the Veteran Affairs Duplicate Payment (VADP) recovery process. This article gives you notice of what you should expect in this VA CMS recovery effort.

Duplicate recovery requests will occur over a “phased in” period of time and will not happen all at once. Physicians, providers, and other suppliers will receive claims recoveries or adjustments for dates of service starting June 6, 2019, to the present.

When we find claims for the same service and dates of service, we’ll take action to recover the duplicate payment where Medicare has the right to recover. We’ll recover the vast majority of claims, while the VA will recover some claims.

Your MAC will provide you with the following remittance advice messages for these VA duplicate payment claims recoveries:

- Claim Adjustment Reason Code 16 — Claim/service lacks information or has submission/billing error(s)
- Group Code CO — Contractual obligation
- Remittance Advice Remark Code (RARC) M79 — Missing/incomplete/invalid charge
- RARC MA67 — Alert: Correction to a prior claim

Your MAC’s call center can address any Medicare VA recovery questions relating to this project.

More Information

We issued CR 13694 to your MAC as the official instruction for this change:

See [Attachment A](#) for the VADP file layout, which includes the required VA elements for claim recovery and adjustment. For more information, find your [MAC’s website](#).

Document History

Date of Change	Description
June 2, 2025	Initial article released.

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