



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

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Related Change Request (CR) Number: 11708

Related CR Release Date: May 22, 2020

Effective Date: October 1, 2020

Related CR Transmittal Number: R10149CP

Implementation Date: October 5, 2020

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 11708 updates the Remittance Advice Remark Code (RARC) and Claims Adjustment Reason Code (CARC) lists and instructs the Viable Information Processing System (ViPS) Medicare System (VMS) and the Fiscal Intermediary Shared System (FISS) to update Medicare Remit Easy Print (MREP) and PC Print. Make sure your billing staffs are aware of these updates. If they use the MREP or PC Print software, they will need to get the updates of 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. Claim Adjustment Reason Codes (CARCs) and Remittance Advice Remark Codes (RARCs) provide either supplemental explanation for a monetary adjustment or policy information that generally applies to the monetary adjustment. Medicare policy states that CARCs and RARCs are required in the remittance advice and coordination of benefits transactions.

The Centers for Medicare & Medicaid Services (CMS) instructs contractors 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.

CR 11708 is a code update notification that indicates when updates to the CARC and RARC lists are made available at the official Accredited Standards Committee (ASC) X12 website. Shared System Maintainers (SSMs) are responsible for implementing code deactivations, making sure that any deactivated code is not used in original business messages, and allowing the deactivated code in derivative messages. 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 codes have an effective date later than the implementation date specified in this CR, MACs must implement on the date specified at <https://nex12.org/index.php/codes>.

Discrepancies between dates may arise, since the WPC website is only updated three times per year and those dates might not match the CMS release schedule. For CR 11708, MACs and SSMs must get the complete list of both CARCs and RARCs from the WPC website to obtain the comprehensive lists for both code sets to determine the changes that are included on the code list since the last code update CR (CR 11638 – you can view the associated MLN Matters Article on the CMS website at <https://www.cms.gov/files/document/mm11638.pdf>).

ADDITIONAL INFORMATION

The official instruction, CR 11708, issued to your MAC regarding this change is available at <https://www.cms.gov/files/document/r10149cp.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
May 22, 2020	Initial article released.

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