



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

MLN Matters Number: MM11943

Related Change Request (CR) Number: 11943

Related CR Release Date: November 20, 2020 Effective Date: April 1, 2021

Related CR Transmittal Number: R10472CP Implementation: April 5, 2021

PROVIDER TYPES AFFECTED

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

PROVIDER ACTION NEEDED

This article updates the Remittance Advice Remark Code (RARC) and Claims Adjustment Reason Code (CARC) lists and instructs the Medicare's system maintainers to update Medicare Remit Easy Print (MREP) and PC Print. Make sure billing staffs are aware of these updates. If you use the MREP or PC Print software, be sure to get the updated software.

BACKGROUND

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

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

CR 11943 is a code update notification that indicates when updates to CARC and RARC lists are available on the official Accredited Standards Committee (ASC) X12 website. Medicare's Shared System Maintainers (SSMs) are responsible for implementing code deactivation; making sure that any deactivated code is not included in original business messages and allowing the deactivated code in derivative messages. The SSMs make sure that Medicare does not report any deactivated code on or after the effective date for deactivation as posted on the official ASC

X12 website. If any new or modified code has an effective date later than the implementation date specified in CR 11943, MACs must implement on the date specified on the official ASC X12 website at <https://nex12.org/index.php/codes>

A discrepancy between the dates may arise, as the official ASC X12 website updates only three times per year and may not match the CMS release schedule. For CR 11943, the MACs and the SSMs must get the complete list for both CARCs and RARCs from the official ASC X12 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 required by CR 11708. An article related to that CR is at <https://www.cms.gov/files/document/mm11708.pdf>.

ADDITIONAL INFORMATION

The official instruction, CR 11943, issued to your MAC regarding this change, is available at <https://www.cms.gov/files/document/r10472cp.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
November 20, 2020	Initial article released.

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