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

MLN Matters Number: MM11252

Related CR Release Date: May 17, 2019

Related CR Transmittal Number: R4303CP

Related Change Request (CR) Number: 11252

Effective Date: October 1, 2019

Implementation Date: October 7, 2019

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 11252 updates the Remittance Advice Remark Code (RARC) and Claims Adjustment Reason Code (CARC) lists and instructs the maintainers of the ViPS Medicare System (VMS) and Fiscal Intermediary Shared System (FISS) to update the Medicare Remit Easy Print (MREP) and PC Print software. Make sure your billing staffs are aware of these changes and obtain the new MREP or PC Print software 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. CARCs and RARCs, as appropriate, provide either supplemental explanation for monetary adjustment or policy information that generally applies to the monetary adjustment. Medicare policy requires use of CARCs and RARCs, as appropriate, in 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 three times per year – around March 1, July 1, and November 1.

CR 11252 is a code update notification indicating when updates to CARC and RARC lists are

available on the Washington Publishing Company (WPC) website. Shared System Maintainers (SSMs) are responsible for implementing code deactivation, making sure they do not use any deactivated codes 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 code has an effective date later than the implementation date in CR11252, MACs must implement on the date specified at http://wpc-edi.com/Reference/.

A discrepancy between the dates may arise as the WPC only updates the website three times per year and the dates may not match the CMS release schedule. For CR 11252, MACs and SSMs must get the complete list for both CARC and RARC from the WPC website to obtain the comprehensive lists for both code sets and determine the changes that are on the code list since the last code update (CR 11204; https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM11204.pdf).

ADDITIONAL INFORMATION

The official instruction, CR 11252, issued to your MAC regarding this change is available at https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2019Downloads/R4303CP.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 17, 2019	Initial article released.