Provider Inquiry Assistance

Claim Adjustment Reason Code (CARC), Remittance Advice Remark Code (RARC), and Medicare Remit Easy Print (MREP) Update – JA7089

Related CR Release Date: August 6, 2010   **Date Job Aid Revised:** August 23, 2010

Effective Date: October 1, 2010   **Implementation Date:** October 4, 2010

Key Words	MM7089, CR7089, R2019CP, CARC, RARC, MREP
Contractors Affected	• Carriers • Fiscal Intermediaries (FIs) • Medicare Administrative Contractors (MACs) • Regional Home Health Intermediaries (RHHIs) • Durable Medical Equipment MACS (DME MACs)
Provider Types Affected	Provider types affected are physicians, providers, and suppliers who submit claims to Medicare Carriers, FIs, MACs, RHHIs, and DME MACs for services.

- Change Request (CR) 7089 announces the latest update of RARCs and CARCs, effective October 1, 2010, for Medicare.

- These are the changes that have been added since CR6901.

Provider Needs to Know…

New Codes – CARC

Code	Current Narrative	Effective Date Per WPC Posting
235	Sales Tax	6/6/2010

Modified Codes – CARC

None

Deactivated Codes – CARC

None

New Codes – RARC

Code	Current Narrative	Medicare Initiated
N533	Services performed in an Indian Health Services facility under a self-insured tribal Group Health Plan.	NO
N534	This is an individual policy, the employer does not participate in plan sponsorship.	NO
N535	Payment is adjusted when procedure is performed in this place of service based on the submitted procedure code and place of service.	YES
N536	We are not changing the prior payer's determination of patient responsibility, which you may collect, as this service is not covered by us.	NO
N537	We have examined claims history and no records of the services have been found.	NO
N538	A facility is responsible for payment to outside providers who furnish these services/supplies/drugs to its patients/residents.	NO
N539	Alert: We processed appeals/waiver requests on your behalf and that request has been denied.	NO

Modified Codes – RARC

Code	Modified Narrative	Medicare Initiated
N104	This claim/service is not payable under our claims jurisdiction area. You can identify the correct Medicare contractor to process this claim/service through the CMS website at www.cms.gov.	YES
N115	This decision was based on a Local Coverage Determination (LCD). An LCD provides a guide to assist in determining whether a particular item or service is covered. A copy of this policy is available at *www.cms.gov/mcd*, or if you do not have web access, you may contact the contractor to request a copy of the LCD.	YES
N386	This decision was based on a National Coverage Determination (NCD). An NCD provides a coverage determination as to whether a particular item or service is covered. A copy of this policy is available at *www.cms.gov/mcd/search.asp*. If you do not have web access, you may contact the contractor to request a copy of the NCD.	YES
N528	Patient is entitled to benefits for Institutional Services only.	NO
N529	Patient is entitled to benefits for Professional Services only.	NO
N530	Not Qualified for Recovery based on enrollment information.	NO

Deactivated Codes – RARC

Code	Current Narrative	Note
M118	Letter to follow containing further information.	Consider using N202
MA101	A Skilled Nursing Facility (SNF) is responsible for payment of outside providers who furnish these services/supplies to residents.	Consider using N538
N201	A mental health facility is responsible for payment of outside providers who furnish these services/supplies to residents.	Consider using N538
N514	Consult plan benefit documents/guidelines for information about restrictions for this service.	Consider using N130

Background	• The reason and remark code sets must be used to report payment adjustments in remittance advice transactions.
	• The reason codes are also used in some coordination-of-benefits transactions.
	• The RARC list is maintained by the Centers for Medicare & Medicaid Services (CMS), and used by all payers. Additions, deactivations, and modifications to it may be initiated by any health care organization. It is updated 3 times a year – in early March, July, and November. The Committee meets every month.
	• The CARC list is maintained by the Claim Adjustment Status Code Maintenance Committee and used by all payers. This committee meets 3 times a year, and this code list also gets updated 3 times a year – in early March, July and November.

Operational Impact	N/A

Reference Materials	The related MLN Matters® article can be found at *http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM7089.pdf* on the CMS website.
	The official instruction (CR7089) issued regarding this change may be found at *http://www.cms.hhs.gov/Transmittals/downloads/R2019CP.pdf* on the CMS website.
	The RARC and CARC code lists are posted at *http://www.wpc-edi.com/Codes* on the Internet.