

MLN Matters Number: MM4326

Related Change Request (CR) #: 4326

Related CR Release Date: February 17, 2006

Effective Date: May 17, 2006

Related CR Transmittal #: R860CP

Implementation Date: May 17, 2006

## Remittance Advice Remark Code and Claim Adjustment Reason Code Update

**Note:** This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

### Provider Types Affected

Providers, physicians, and suppliers who bill Medicare fiscal intermediaries (FIs), including regional home health intermediaries (RHHIs), and Medicare carriers including durable medical equipment regional carriers (DMERCs)

### Key Points

- Effective December 29, 2005, **Remark Code MA02** was updated to reflect the following narrative:
- *"If you do not agree with this determination, you have the right to appeal. You must file a written request for an appeal within 180 days of the date you receive this notice. Decisions made by a Quality Improvement Organization (QIO) must be appealed to that QIO within 60 days."*
- Within 30 days of release of CR4326, **Remark Code MA03** will not be used for Medicare Fee for Service (FFS) and Medicare will update the current narrative of remark code MA02 in the same timeframe.
- Please use the text posted on the Washington Publishing Company (WPC) web site if there are discrepancies between any code text included in this article and the corresponding text on the WPC web site:  
<http://www.wpc-edi.com/codes>.

### Background

#### Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

There are two code sets that must be used to report payment adjustments, appeal rights, and related information for transaction 835 (Health Care Claim Payment/Advice) and standard paper remittance advice. These code sets, updated on a regular basis, include:

- Claim Adjustment Reason Code (CARC); and
- Remittance Advice Remark Code (RARC).

Additionally, for transaction 837 COB, CARC must be used.

## Additional Information

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CR4326 is the official instruction issued to your FI/RHHI or your carrier/DMERC regarding changes mentioned in this article, MM4326. CR4326 may be found by going to <http://www.cms.hhs.gov/Transmittals/downloads/R860CP.pdf> on the CMS web site

Please refer to your local FI/RHHI or your carrier/DMERC if you have questions about this issue. To find their toll free phone number, go to <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS web site.

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