

Understanding the Remittance Advice:

A Guide for Medicare Providers, Physicians, Suppliers, and Billers



Errata Sheet

Errata Sheet Release Date: **October 2007**

Please note that since the implementation of this publication, the following corrections or changes have been identified:

Disclaimers Pages		
Page Number	Section Title and/or Number	Description of Change
N/A	Disclaimers	<p>Add the following to the disclaimers pages:</p> <p>National Provider Identifier (NPI)</p> <p>The Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandated that the Secretary of the Department of Health and Human Services (DHHS) adopt a standard unique identifier for health care providers called the National Provider Identifier (NPI). The NPI will replace health care provider identifiers that are now being used in standard transactions and will eliminate the need to use different identification numbers when conducting HIPAA standard transactions with multiple plans. Providers can apply for a NPI using one of the following methods:</p> <ul style="list-style-type: none"> • Visit https://nppes.cms.hhs.gov on the Centers for Medicare & Medicaid Services (CMS) website and complete the web-based application; • Call (800) 465-3203 to request a paper application; or • With the provider's permission, an Electronic File Interchange Organization (EFIO) can submit the applicable data. <p>For the most current information, including implementation dates, the CMS website has a dedicated web page on NPI for all health care providers. Visit http://www.cms.hhs.gov/NationalProvIdentStand/ on the CMS website. This page also contains a section for Medicare Fee-For-Service (FFS) providers with helpful information on the Medicare NPI implementation.</p>

Chapter 1: Introduction to the Remittance Advice (RA)

Page Number	Section Title and/or Number	Page Number
1	1.3.1 The importance of the ERA	Revise last two sentences to the following: The version 4010A1 Implementation Guide adopted as the HIPAA standard can be obtained at http://www.wpc-edi.com/hipaa on the web.

Chapter 2: Components of a Remittance Advice (RA)

10	Table 2-3 – Group Codes for Use on an RA	Revise Payment Adjustment Category Description for Code CO to the following: Contractual Obligation – used when a contractual agreement between Medicare and the provider, or a regulatory requirement, resulted in an adjustment. Generally, these adjustments are considered a write off for the provider and are not billed to the beneficiary. See <i>MLN Matters</i> article MM5308 (2006) and/or CR 5308.
11	Table 2-5 – Examples of Remittance Advice Remark Codes (RARC)s	Delete Code M5 and corresponding message. Replace M5 with the following: M125 - Missing/incomplete/invalid information on the period of time for which the service/supply/equipment will be needed.

Chapter 2: Components of a Remittance Advice (RA) (Cont.)

Page Number	Section Title and/or Number	Description of Change
13	2.2.2 How Often Are Claim Adjustment Reason Codes (CARCs) and Remittance Advice Remark Codes (RARCs) Updated?	Revise the first sentence to the following: CARCs and RARCs are updated three times a year. Delete the second sentence. See MM5308 (2006) and/or CR 5308.

Chapter 3: Reading an Institutional Remittance Advice (RA) Received from Fiscal Intermediaries (FIs) or Regional Home Health Intermediaries (RHHIs)

Page Number	Section Title and/or Number	Description of Change
16	3.2.3 How Can the Information in an ERA Be Viewed?	Revise the last sentence of the first paragraph to the following: Medicare Contractors are required to supply the PC-Print software upon request. See MM5308 (2006) and/or CR 5308.
27	3.2.4.5 Column 5 of the AC Screen (Institutional ERA)	NCVD/DENIED – Revise 1 st bullet to the following: For all institutional provider types , a dollar amount shows in this field when a claim has noncovered and/or denied charges at the line or claim level (except for Reason Codes A2, 1, 2, 23, 45, 66, 70, 89, 94, 118, and 122). See MM5456 (2007) and/or CR 5456.
31	3.2.4.7 Column 7 of the AC Screen (Institutional ERA)	<i>Under the DEDUCTIBLES definition:</i> Revise the example to the following: EXAMPLE: Part A deductibles apply to hospitals. For 2007, there is a deductible of \$992.00 for days 1-60 for each benefit period. Revise 2 nd sentence in the NOTE to the following: This is currently a yearly deductible amount of \$131 for 2007. <i>Under the COINS AMT definition:</i> Revise the example to the following: EXAMPLE: SNF coinsurance under Part A is \$124.00 per day for 2007, which must be paid by the beneficiary for days 21-100 in the SNF. Medicare pays in full for days 1-20.
37	3.2.5.1 Section 1 of the SC Screen – Header Information (Institutional ERA)	Add the following field definition: "NPI - This field displays the National Provider Identifier (NPI) of the facility receiving the ERA. The NPI is the number assigned to the provider for billing and identification purposes. For more information about the NPI, visit http://www.cms.hhs.gov/NationalProvIdentStand/ on the CMS website."
39	3.2.5.2 Section 2 of the SC Screen – CHARGES (Institutional ERA)	NCVD/DENIED – Revise 1 st bullet to the following: For all institutional provider types , a dollar amount shows in this field when a claim has noncovered and/or denied charges at the line or claim level (except for Reason Codes A2, 1, 2, 23, 45, 66, 70, 89, 94, 118, and 122). See MM5456 (2007) and/or CR 5456.
44	3.2.5.4 Section 4 of the SC Screen - PAYMENT DATA (Institutional ERA)	Revise the example to the following: EXAMPLE: Part A deductibles apply to hospitals. For 2007, there is a deductible of \$992.00 for days 1-60 for each benefit period. Revise 2 nd sentence in the NOTE to the following: This is currently a yearly deductible amount of \$131 for 2007.
45	3.2.5.4 Section 4 of the SC Screen - PAYMENT DATA (Institutional ERA)	Revise the example to the following: EXAMPLE: SNF coinsurance under Part A is \$124.00 per day for 2007, which must be paid by the beneficiary for days 21-100 in the SNF. Medicare pays in full for days 1-20.
49	3.2.5.5 Section 5 of the SC Screen (Institutional ERA)	Revise the first sentence to read: Section 5 contains space where Group Codes, Claim Adjustment Reason Codes (CARCs), and Remittance Advice Remark Codes (RARCs) for institutional providers generally appear.

Chapter 3: Reading an Institutional Remittance Advice (RA) Received from Fiscal Intermediaries (FIs) or Regional Home Health Intermediaries (RHHIs) (Cont.)

Page Number	Section Title and/or Number	Description of Change
65	3.4.1.1 Section 1 of the AC Page (Institutional SPR)	Add to NOTE below PROVIDER #: Information and examples on how your SPR will look during the transition to the NPI may be found in Change Request 5229, available at http://www.cms.hhs.gov/transmittals/downloads/R234OTN.pdf on the CMS website.
73	3.4.1.8 Column 6 of the AC Page (Institutional SPR)	Revise the example to the following: EXAMPLE: Part A deductibles apply to hospitals. For 2007, there is a deductible of \$992.00 for days 1-60 for each benefit period. Revise the 2nd sentence in the NOTE to the following: This is currently a yearly deductible amount of \$131 for 2007.
74	3.4.1.9 Column 7 of the AC Page (Institutional SPR)	Revise the example to the following: EXAMPLE: SNF coinsurance under Part A is \$124.00 per day for 2007, which must be paid by the beneficiary for days 21-100 in the SNF. Medicare pays in full for days 1-20.
N/A	TBD	PC-Print Version 3.6.0 is now available for download. Future releases of this publication will include information regarding the following enhancement to the PC-Print software: <ul style="list-style-type: none"> The provider's NPI number is now displayed on the All Claims (AC) and Single Claim (SC) screens.

Chapter 4: Reading a Professional Remittance Advice (RA) Received from Carriers or Durable Medical Equipment Regional Carriers (DMERCs)

Page Number	Section Title and/or Number	Description of Change
107	4.2.6.1 The Denied Service Lines Report	Revise the 1 st bullet to the following: For 2007, there is a yearly deductible of \$131.00 for professional services. Some supplemental insurance plans may cover the deductible amount.
110	4.3.2 How Does a Provider Switch from an SPR to an ERA?	Add NOTE: Effective June 1, 2006: Carriers and DMERCs stopped sending the SPR to providers who also received an ERA for 45 days or more. See CR 4376 and related <i>MLN Matters</i> articles SE0627: http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0627.pdf and MM4376: http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4376.pdf on the CMS website.
115	4.4.1 Header Information (Professional SPR)	Add to NOTE: Information and examples on how your SPR will look during the transition to the NPI may be found in Change Request 5229, available at http://www.cms.hhs.gov/transmittals/downloads/R234OTN.pdf on the CMS website.
118	4.4.2.2 Assigned Claims - Service-Line-Level Information (Professional SPR)	Revise the 1 st bullet to the following: For 2007, there is a yearly deductible of \$131.00 for professional services. Some supplemental insurance plans may cover the deductible amount.
N/A	TBD	Medicare Remit Easy Print (MREP) Version 2.3 is now available for download. Version 2.3 includes many improvements, including the latest version of the Claim Adjustment Reason Codes and the Remittance Advice Remark Codes, as well as new and updated reports. The most current version of MREP is available for download at http://www.cms.hhs.gov/AccessstoDataApplication/02_MedicareRemitEasyPrint.asp on the CMS website. Contact your Medicare contractor if you are unable to access this software.

Chapter 4: Reading a Professional Remittance Advice (RA) Received from Carriers or Durable Medical Equipment Regional Carriers (DMERCs) (Cont.)

Page Number	Section Title and/or Number	Description of Change
N/A	TBD	<p><u>NPI Changes</u></p> <ul style="list-style-type: none"> • Updates have been made to the MREP software to allow for the Stage 3 NPI changes that impact the 835v4010A1 transactions. • The NPI value is being removed from the drop-down box on the Search tab. <p>Future releases of this publication will include information regarding the following enhancements to the MREP software:</p> <ul style="list-style-type: none"> • The “Deductible Service Lines” report has been enhanced, and is now titled “Deductible/COINS Service Lines”. • Updates have been made to the Search Tab within the MREP software to allow a user to search claim information for a National Drug Code (NDC). • The heading “Procedure Code” is being changed to “Product/Service ID” on the Search Tab. • A new report entitled “COB Claims” has been added which allows providers to view claims that were automatically crossed over to an additional payer. • A new report entitled “Non-COB Claims” has been added which allows providers to review claims that did not cross over to an additional payer. • A new report entitled “Other Adjustments” has been added. This report shows claims that have Late Filing and Interest and RAs that have Withholding on Forwarding Balances. • Either the Rendering NPI or Rendering provider number is now displayed on all reports and RAs generated from the MREP software. • The search function has been enhanced, and now allows uses to search by Service Date and Rendering NPI.
N/A	Global Change	<p>Future releases of this publication will not refer to the paper remittance generated by the MREP software as the “MREP SPR”. Language will be modified to emphasize that this paper remittance, while similar to the SPR in format, is not identical to the SPR providers receive from their Medicare Contractors.</p>

Reference C: Websites and Phone Numbers

Page Number	Section Title and/or Number	Description of Change
C-2	Websites and Phone Numbers	<p>Change the FI and Carrier Directory link to: http://www.cms.hhs.gov/MLNProducts/Downloads/CallCenterTollNumDirectory.zip</p>

Reference D: Resources

Page Number	Section Title and/or Number	Description of Change
D-1	Medicare Learning Network	Add MLN Matters Article # SE0627, April 21, 2006
D-1	Websites	<p>Add the following website and description: Search RA Remark Codes by Category. http://www.cmsremarkcodes.info/ See MM5346 (2006) and/or CR 5346.</p>