

# Provider Bulletin



## News and Information

August 26, 2022

### UPDATE on CARC and RARC For Rural Health Clinic (RHC) Carve-out Services

On Jan. 1, 2022, UCare transitioned its claims processing system as related to payments and adjustments for the RHC Minnesota Department of Human Services (DHS) carve-out services.

As a result of the transition, UCare sends claim adjustment reason code (CARC) of 45 and remittance advice remark code (RARC) of MA125 in the 835-remittance advice and on the explanation of payment (EOP) for RHC claims that qualify for payment by DHS. We were informed by providers that this method of reporting prevents the successful posting of payments/adjustments received later from DHS.

UCare is updating its system to report CARC of 24 and RARC of N193 in the 835-remittance advice and on the EOP for RHC claims that qualify for payment by DHS. We expect this change will improve posting of payments/adjustments from DHS for RHC carve-out services.

Current CARC and RARC	UPDATED CARC and RARC for Claims Processed Beginning 9/1/2022
<b>CARC 45</b> - Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.	<b>CARC 24</b> - Charges are covered under a capitation agreement/managed care plan. <b>CARC 256</b> - Service not payable per managed care contract.
<b>RARC MA125</b> - Missing/incomplete/invalid information on the period of time for which the service/supply/equipment will be needed.	<b>RARC N193 - Alert:</b> Specific federal/state/local program may cover this service through another payer.

Providers are advised to research how the changes stated above will be handled by their internal systems to determine if changes will be needed.