

# Provider Bulletin

## News and Information



July 12, 2022

### Reminder: How to Handle Denials with a CARC and RARC Combination Containing LCD Denials

If a provider receives a denial with a Claim Adjustment Reason Code (CARC) and Remittance Advice Remark Code (RARC) combination that contains a Local Coverage Determination (LCD), this denial is based on National Government Services Local Coverage Determination (NGS LCD) criteria. UCare enforces these criteria. Guidance can be found within the Medical Policies section of the [National Government Services website](#).

Examples of CARC/RARC combinations containing LCD denials:

- **CARC: 11** – The diagnosis is inconsistent with the procedure and **RARC: 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.
- **CARC: 167** – This (these) diagnosis(es) is (are) not covered and **RARC: 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.
- **CARC: 96** – Non-covered charge(s) and **RARC: 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.

If a provider receives a denial with a CARC/RARC combination that contains a National Coverage Determination (NCD), this denial is based on NCD criteria. UCare enforces these criteria. Guidance can be found on the [CMS website](#).

An example of a CARC/RARC combination containing NCD denial:

- **CARC: 4** – The procedure code is inconsistent with the modifier used and **RARC: N386** – This decision was based on National Coverage Determination (NCD). An NCD provides a coverage determination as to whether a particular item or service is covered.