

A8 Claim Denial Inpatient Hospital

Policy: [Medicaid Provider Manual](#) (MPM) Chapter "Hospital" Hospital Reimbursement Appendix Section 2. Inpatient.

Should your inpatient hospital claim deny with claim adjustment reason code (CARC) A8 the entire account must be reviewed to determine what the source of the billing error is. Please consider reviewing the following:

- Claims filed under an incorrect beneficiary ID# such as the newborn under the Mothers beneficiary ID#. Newborn claims should not be filed until an ID# has been created. Hospitals are directed to file the MSA-2565 form for any admissions where eligibility may be an issue.
- Patient Date of Birth, Age, Gender, Birthweight
- Value Codes, Revenue Codes, Condition Codes
- Admit Source, Discharge Status, Date of Admission
- Reporting an incorrect or conflicting taxonomy code.
- Level of specificity of all diagnosis codes as well as Present On Admission Codes(POS)
- Inpatient surgical procedure coding (PCS)

Additional information regarding when an inpatient hospital claim type will reject for the following APR-DRG's- The DRG is stamped on the claim header detail screen in CHAMPS.

APR-DRG	Short Definition	Denial Codes	Error	Resolution
7721-7724	Alcohol & drug dependency w/rehab or rehab/detox therapy	RARC N208	Not a FFS benefit billed incorrect payer	Rebill to appropriate entity
9550	Principal diagnosis does not support medical necessity of inpatient status	A8	Diagnosis code not specific enough or conflicts with all other values on the claim	Review medical records and report diagnosis to the highest specificity.
9560	Un-groupable to a payable APR-DRG	A8	Some element on the claim conflicts with other demographics on the claim	Review the gender, newborn weight reported under value code 54, revenue code validity, and to ensure that the diagnosis is correct per the

				date of discharge and to the highest specificity. Check for taxonomy code sent on the claim versus the billing NPI.
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Website Resources:

1. MDHHS DRG Hospital Specific Rates, Per Diem Rates, Cost to Charge Ratio: http://www.michigan.gov/documents/HospitalPricesInternet_Update_110504_109155_7.*LS
2. The medical/surgical DRG Grouper Weights/Implementation Dates: http://www.michigan.gov/documents/DRG_Groupers-9-2004_103440_7.*ls
3. MSA Policy Bulletin 15-30: http://www.michigan.gov/documents/mdch/MSA_15-30_498742_7.pdf
4. Capitol Rates: http://www.michigan.gov/mdhhs/0,5885,7-339-71551_2945_42542_42543_42546_42551-151010--,00.html