

Common Hospital Claim Denials

Policy: [Medicaid Provider Manual](#) (MPM), Billing and Reimbursement for Institutional Providers Chapter, Section 12- Remittance Advice

In the event MDHHS denies a claim there are claim adjustment reason codes (CARC) and remittance advice remark codes (RARC) appended that explain why the claim was denied. These codes can be located on the weekly [paper remittance advice](#) (RA) or electronically within the CHAMPS system by doing a [claim inquiry](#). For providers that have elected to receive the 835 Electronic Remittance Advice (835 ERA) claim denial information can also be found within this report. Definitions for the CARC and RARC codes can be found on the [Washington Publishing Company website](#) (WPC).

Providers are expected to review the editing on each claim to determine why a claim was denied, making the necessary corrections and resubmitting as a new claim or adjusting the original.

Top Denials:

CARC 22 and RARC N598: Beneficiary has other insurance listed in CHAMPS that was not reported on the claim. Medicaid is the payer of last resort and all identifiable payers must be reported on the claim. It is suggested that providers review the TPL coverage file in CHAMPS for accuracy. If changes need to be made then the online DCH 0078 request to add/change/update other insurance should be completed.

[MPM](#) Coordination of Benefits Chapter Section

[Online DCH 0078](#)

[Other Insurance Reporting Requirements Tip](#)

CARC 23: The other insurance information reported on the claim includes a CARC that is considered a denial, suspend, or otherwise not reimbursable. It is suggested that providers report the other insurance processing information on the service line to prevent the entire claim from being denied.

[BBA](#) posted June 13, 2017

CARC A8 and RARC N657: Un-groupable DRG. Reporting invalid information can cause claims to be denied as ungroupable IE: procedure code, diagnosis, patient gender, missing or invalid modifiers can cause claims to be denied.

[A8 Outpatient Hospital Claims Denials Provider TIP](#)

CARC 97 and RARC M86: Split billing. There is a previously paid claim in the system with the same dates of service and the services being billed are not allowed for repetitive billing as defined by CMS. Providers can use the claim limit list function in CHAMPS to view the previously paid claim.

[CHAMPS Claim Inquire Claim Limit List](#)

[MLN 3633 Hospital Billing for Repetitive Services](#)

[MPM](#) Billing and Reimbursement for Institutional Providers Section 7.1.E Date of Service

CARC 24: Beneficiary is enrolled in a managed care plan for the date(s) of service. Providers should review beneficiaries' eligibility within in CHAMPS and bill the correct payer.

CARC 204 and RARC N448: QMB beneficiary and services are not covered by Medicare. MDHHS reimburses for co-insurance and deductible when a beneficiary is enrolled in the QMB program. If Medicare does not cover Medicaid does not have liability.

[MPM](#) Coordination of Benefits Chapter Section 2.6.E Medicare Buy-In/Medicare Savings Program

[MLN SE1128](#) Prohibition on Billing Dual Eligible Individuals in the QMB Program

CARC 204 and RARC N130: Benefit plan assigned receives no payment. The beneficiary has a Medicaid deductible/spenddown that has not been met

CARC 204 and N448: Beneficiary has emergency services only Medicaid and the services and or diagnosis codes being billed are not considered an emergency.

[MPM](#) Emergency Services Only Medicaid Chapter

CARC 109 and RARC N130: Claim or service is not payable by MDHHS. Mental health or substance abuse services are the responsibility of the beneficiaries county PIHP

[Inpatient Hospital Psychiatric Admissions Billing Tip](#)

[MPM](#) Hospital Chapter Section 3.21 Mental Health and Substance Abuse

Attending Provider Issues: Review attending provider credentials/enrollment within CHAMPS.

CARC 183 and RARC N574: Attending NPI not enrolled in CHAMPS

CARC B7 and RARC M143: Attending not active on date(s) of service

CARC 16 and RARC N253: Attending provider not reported on the claim

CARC 183 and RARC N574: Provider type not allowed for attending provider

CARC 183 and RARC N767: Attending provider is not individual- Type 1 NPI

[MSA 17-04](#) Claims for Non-Enrolled Providers

[MSA 13-17](#) Provider Enrollment Application Fees and Ordering/Referring and Attending Provider Requirements

[MSA 12-55](#) Medicaid Provider Screening/Enrollment and Program Integrity

[BBA](#) August 11, 2016

[Attending Provider Tip](#)