North Carolina
Medicaid Special Bulletin

An Information Service of the
Division of Medical Assistance

Visit DMA on the Web at
http://www.ncdhhs.gov/dma

MAY 2017

Attention:
All Providers

Claims Processing Updates When a Primary Payer Indicates a Denial

UPDATE: Beginning May 14, 2017, NCTracks will begin a new editing process for the Division of Medical Assistance payer claims when Medicaid is not the primary insurance. This new process reflects updated business rules in regards to the Claim Adjustment Reason Codes (CARCs), Claim Adjustment Group Codes (CAGCs) and the actions that will be prompted for claims processing when a Third-Party Liability (TPL) or Medicare payer is on file and the payer does not indicate a payment. This new process will be applicable for all service dates once implemented.

New Explanation of Benefits: The Explanation of Benefit (EOB) 01843- MEDICAID DENIED DUE TO INDICATION OF PRIOR PAYER DENIAL, will be posted on claims when the other/prior payer (primary payer) indicates a denial for a claim and the same action by Medicaid is appropriate. In some situations, Medicare and TPL will be bypassed when it is deemed appropriate for Medicaid to be the primary payer.

Important Instruction: It is very important the primary payer CAGC and CARC information be submitted to NC Medicaid, either by X12 batch transaction or via Provider portal, **exactly** as it appears on the primary payer EOB/Remittance. This includes accurately submitting codes at header or detail claim line.

As an example, if the primary payer EOB displays the CAGC "CO" (Contractual Obligation) and CARC "97", then the submission of this code combination to Medicaid will result in posting of the new Medicaid EOB 01843 on the Medicaid claim. This new EOB will be posted on the line if the codes are keyed at the line and deny that claim line. If the codes are keyed at the claim header, the new EOB will post at the claim header, and the entire claim will deny.

This change is necessary to remain in compliance with the Council on Affordable Quality Healthcare's (CAQH) Committee on Operating Rules for Information Exchange (CORE) requirements. Providers who have made changes to their systems may need to review their systems to remain in compliance with these requirements.

Special Note: *The effective date in the NCTracks notification "New Process for Crossover Claims without Medicare Coverage" published on April 28, 2017, will **be delayed** due to this implementation.*

Guides and additional information: Providers submitting claims with primary payer details on the Provider Portal are encouraged to review the **Provider User Guides and Training** page for the How to Indicate Other Payer Details on a Claims In NCTracks and Batch Submission. This guide will assist providers with direction on how to enter primary payer information such as CARCs, CAGCs and the adjustment amount.

Providers with questions can contact the CSRA Call Center at 1-800-688-6696 (phone)**;** 1-855-710-1965 (fax) or NCTracksprovider@nctracks.com (email).

Sandra Terrell, MS, RN
Director of Clinical
Division of Medical Assistance
Department of Health and Human Services

Paul Guthery
Executive Account Director
CSRA