

## How to Read the Medicare Remittance Advice

A Medicare Remittance Advice (MRA) is a notice of payments and adjustments sent to providers, billers and suppliers after a claim has been received and processed. Medicare contractors produce the MRA, which may serve as a companion to a claim payment(s) or as an explanation when there is no payment. The MRA outlines the reimbursement decisions including the reasons for payments and adjustments of processed claims. This job aid is designed to help the provider understand the MRA received from Medicare. TrailBlazer<sup>SM</sup> Customer Service instructs the caller to refer to the remittance advice if the question can be answered by accessing the remittance advice.

A provider may receive an MRA from Medicare transmitted in an electronic format called the Electronic Remittance Advice (ERA) or in a paper format called the Standard Paper Remittance Advice (SPR). Although the information featured on the ERA and SPR is similar, the two formats are arranged differently and the ERA offers some data and administrative efficiencies not available in an SPR.

To learn more about receiving the MRA electronically, call the Electronic Data Interchange (EDI) for more information:

All States: (866) 514-0280  
(866) 528-1605  
(866) 528-1606  
(866) 528-1607  
(866) 528-1608  
(866) 620-3988  
(866) 774-8160

Medicare Part B Easy Print Software is available to convert the ERA files into a readable standard paper remittance that can be printed. TrailBlazer EDI offers software and supporting documentation for the services provided in electronic billing and remittance advices at:

<http://www.trailblazerhealth.com/Electronic%20Data%20Interchange/Software%20-%20Manuals/>

Several codes have been developed for the MRA. The three major code sets are:

- Group codes.
- Claim Adjustment Reason Codes (CARCs).
- Remittance Advice Remark Codes (RARCs).

These codes are defined in the *Medicare Remittance Advice* training manual located on the TrailBlazer Web site at:

<http://www.trailblazerhealth.com/Publications/Training%20Manual/MRA.pdf>

Every MRA received should accompany one or more of these codes to explain how the claim processed. If there are multiple pages to the MRA, these codes will be located on the last page.

Part B Provider Outreach and Education recently added a new feature to the Self-Service option on the TrailBlazer Web site. Users are now able to enter a reason code from their MRA and find the description of the reason code. An associated solution (in red text) is also available from the search.

Example: If the MRA indicates the claim did not process and a reason code of M20 is on the MRA details, enter “M20” in the reason code search, click “Search” and obtain the following message:

**Details for Reason Code M20 **

Missing/incomplete/invalid HCPCS.

Providers should utilize a current HCPCS manual. Verify the HCPCS code submitted in item 24d or the electronic equivalent, make any necessary changes and resubmit the rejected/unprocessable claim to Medicare.

**Note:** The “B” icon located next to the reason code indicates this reason code applies to Medicare Part B.

This Reason Code Search tool does not include an all-inclusive listing. New codes will be added as they are identified, so visit the site often for updates. The Reason Code Search tool can be found on the TrailBlazer Web site at:

<http://www.trailblazerhealth.com/Tools/ReasonCodeSearch.aspx>

Code sets are also available on the Washington Publishing Company (WPC) Web site at:

<http://www.wpc-edi.com/products/codelists/alertservice>

CMS offers a guide that is designed as a self-help resource for providers to understand the MRA. This guide can be accessed at:

[http://www.cms.hhs.gov/MLNProducts/downloads/RA\\_Guide\\_Full\\_03-22-06.pdf](http://www.cms.hhs.gov/MLNProducts/downloads/RA_Guide_Full_03-22-06.pdf)