

## CAQH Committee on Operating Rules for Information Exchange (CORE) – Code Combinations Task Group

Task Group Rationale: *Task Group Follow-up Straw Poll on Potential Compliance-based Adjustments to the CORE Code Combinations v3.7.4, June 2023*

### Rationale Background

At its August 8<sup>th</sup> call, the CAQH CORE Code Combinations Task Group reviewed the results of the *Task Group Initial Straw Poll on Potential Compliance-based and Market-based Adjustments*. Based on the Initial Straw Poll results and Task Group consensus reached on the call, the Task Group accepted the addition of 4 potential Compliance and Market-based code combinations to the *CORE-required Code Combinations v3.7.4, June 2023*. The Task Group also agreed to not add 4 other potential Compliance and Market-based code combinations to the *CORE-required Code Combinations v3.7.4, June 2023*. See the Call Summary for the August 8<sup>th</sup> Task Group call by clicking [here](#).

On the call, the Task Group agreed to conduct a Compliance-based and Market-based Review (CBR/MBR) Follow-up Straw Poll (FSP) to obtain participant feedback on the inclusion of 14 code combinations that were proposed by respondents for consideration in this cycle's Initial Straw Poll. The Task Group also agreed to re-poll the code combination CARC 96/RARC N887 after it received 67% support in the Initial Straw Poll and sparked debate during the August 8<sup>th</sup> call.

In accordance with the Revised Task Group Adjudication Process, Task Group Participants were asked to submit any rationale IN SUPPORT or NOT IN SUPPORT of the addition of each code combination.

The *Task Group CBR/MBR Follow-up Straw Poll Rationale Submission Period* opened on August 9<sup>th</sup> and closed on August 18<sup>th</sup>. A summary of respondents is included below in **Table 1**.

**Table 1: Summary of Respondents to August 2023 CBR/MBR FSP Rationale Submission Period by Stakeholder Type**

Stakeholder Type	# (%) of Respondents
<b>Total # of Responses</b>	<b>8 (100%)</b>
Number of Health Plan/Health Plan Association Responses	3 (39%)
Number of Provider/Provider Association Responses	1 (12%)
Number of Vendor/Clearinghouse Responses	2 (25%)
Number of Government Responses	1 (12%)
Number of Other Stakeholder Type Responses	1 (12%)

### Code Combinations Proposed by CCTG Participants Included in the Follow-up Straw Poll

14 CARCs were proposed by respondents to be paired with the newly added RARC N887 to Business Scenarios #2 and #3. Each combination is described in **Table 2**. The descriptions include rationale comments against/for addition.

**RARC N887:** *Providers not participating in the Medicare Advantage Plan have the right to appeal if the plan has partially or fully denied payment or if the provider believes the plan has not paid the services at the expected Medicare reimbursable rate or type of level/service. Providers may file their appeal in writing within 60 calendar days after the date of the remittance advice. For the plan to review the appeal, the plan will need a completed signed Waiver of Liability Statement. To obtain a Waiver of Liability form, please contact your Medicare Advantage Plan. Once we receive the completed forms, we will give you a decision on your appeal within 60 calendar days.*

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**Table 2: Code Combinations for Inclusion in August 2023 CBR/MBR FSP**

Line	Business Scenario	CARC	CARC Description	ASC X12 CAGC	Support For	Not in Support For
1	2	284	Precertification/authorization/notification/pre-treatment number may be valid but does not apply to the billed services.	CO or PI	N/A	<ul style="list-style-type: none"> <li>One organization asserted that pre-authorization is to let the provider know what reimbursement or level of service was approved. How does the provider not appeal the pre-auth instead before they bill the claim? Of course, they will deny the claim if the pre-auth isn't followed. How is that related to an appeal right after a claim is denied for not following the pre-auth?</li> <li>Three organizations commented that RARC N887 does not provide any additional support or explanation for the reason for the adjustment.</li> <li>One organization stated that a RARC that refers to the right to appeal is never assigned to any single CARC and can apply to all adjustment reasons.</li> </ul>
2	2	296	Precertification/authorization/notification/pre-treatment number may be valid but does not apply to the provider.	CO or PI	N/A	
3	3	50	These are non-covered services because this is not deemed a 'medical necessity' by the payer. Usage: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	CO, PI, or PR	N/A	
4	3	51	These are non-covered services because this is a pre-existing condition. Usage: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	CO, PI, or PR	N/A	
5	3	53	Services by an immediate relative or member of the same household are not covered.	CO, PI, or PR	N/A	
6	3	95	Plan procedure not followed	CO, PI, or PR	N/A	
7	3	111	Not covered unless the provider accepts assignment	CO, PI, or PR	N/A	
8	3	119	Benefit maximum for this time period or occurrence has been reached.	CO, PI, or PR	N/A	
9	3	149	Lifetime benefit maximum has been reached for this service/benefit category.	CO, PI, or PR	N/A	
10	3	150	Payer deems the information submitted does not support this level of service.	CO, PI, or PR	N/A	
11	3	166	These services were submitted after this payer's responsibility for processing claims under this plan ended.	CO, PI, or PR	N/A	
12	3	242	Service not provided by network/primary care providers	CO, PI, or PR	N/A	
13	3	243	Service not authorized by network/primary care providers	CO, PI, or PR	N/A	
14	3	299	The billing provider is not eligible to receive payment for the service billed	CO, PI, or PR	N/A	

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**Code Combinations Identified for Re-polling by CCTG Participants in the Follow-up Straw Poll**

The combination CARC 96/RARC N887 has been requested to be re-pollled by CCTG participants. This combination received 67% support for addition to Business Scenario #3.

**Table 3: Code Combinations for Re-Polling in August 2023 CBR/MBR FSP**

<i>Line</i>	<i>Business Scenario</i>	<i>CARC</i>	<i>CARC Description</i>	<i>ASC X12 CAGC</i>	<i>Support For</i>	<i>Not in Support For</i>
1	3	96	Non-covered charges.	CO, PI, or PR	N/A	<ul style="list-style-type: none"> <li>One organization noted their belief that this combination is more like an Alert, just without "Alert" in the RARC.</li> <li>Three organizations commented that RARC N887 does not provide any additional support or explanation for the reason for the adjustment.</li> <li>One organization stated that a RARC that refers to the right to appeal is never assigned to any single CARC and can apply to all adjustment reasons.</li> </ul>