

**CAQH Committee on Operating Rules for Information Exchange (CORE)
Code Combinations Task Group
Impact Analysis: Potential Compliance-based Adjustments to the CORE Code Combinations v3.8.1 February 2024
For Discussion Only**

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Code Combinations Task Group Compliance-Based Review Impact Analysis

1 Background

Per the [CAQH CORE Code Combinations Maintenance Process](#), the *CORE-required Code Combinations for CORE-defined Business Scenarios (CORE Code Combinations)* must be maintained to ensure alignment with the current, published [CARC](#) and [RARC](#) lists maintained by the respective Code Maintenance Committees¹. Two types of adjustments are conducted:

- **Compliance-based Adjustments:** Published updates including deactivations, modifications, and additions to the CARC and RARC lists by the code authors must be reviewed to ensure ongoing alignment between the *CORE Code Combinations* and the published code lists²; compliance-based reviews (CBRs) occur three times per year per the *CORE Code Combinations Maintenance Process*.
- **Market-based Adjustments:** Refinement of existing *CORE Code Combinations* and/or industry identification of the need for additional CORE-defined Business Scenarios and associated code combinations; Market-based Reviews (MBRs) occur once every two years per the *CORE Code Combinations Maintenance Process*.

With the publication of an updated RARC list on 03/01/24, the Code Combinations Task Group (CCTG) must complete a compliance-based review (CBR). This impact analysis outlines the newly added RARCs and includes recommendations for compliance-based adjustments to the *CORE Code Combinations v3.8.1 February 2024*. In addition, the Task Group must review the adjudication of an Emergency Code Combination Addition (ECCA) Request.

This impact analysis was created by CORE staff and consultants and approved by the Task Group co-chairs based on the most recently published codes, which provides context on potential new adjustments. Please review this document carefully when considering your support/non-support of these adjustments. If changes result from this March 2024 CBR, they will be published on 06/01/2024, and the *CORE Code Combinations v3.8.2 June 2024* will supersede all previous versions of the *CORE Code Combinations*.

1.1 Scope of Potential Compliance-Based Adjustments to *CORE Code Combinations v3.8.1 February 2024*

Three types of CARC and RARC list updates can impact the *CORE Code Combinations*: deactivations, modifications, and additions. Table 1 summarizes the 03/01/2024 adjustments to the published CARC and RARC lists to be considered by the Task Group.

¹ Claim Adjustment Status Code Maintenance Committee and Remittance Advice Remark Code Committee (<https://x12.org/reference/>).

² "Published code list" refers to the master CARC or RARC list as published.

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Table 1. Summary of Qualifying Compliance-based Adjustments to CORE Code Combinations v3.8.1 February 2024 by Type of Code List Adjustment

Type of Code List Adjustments	Total Published Code List Adjustments	Recommended Potential Impact on CAQH CORE Code Combinations
Code List Deactivations in November 2023	<ul style="list-style-type: none"> • 0 CARCs deactivated • 0 RARCs deactivated 	<ul style="list-style-type: none"> • N/A • N/A
Code List Description Modifications in November 2023	<ul style="list-style-type: none"> • 0 CARC description modified • 0 RARC descriptions modified 	<ul style="list-style-type: none"> • N/A • N/A
Code List Additions in November 2023	<ul style="list-style-type: none"> • 0 CARC added • 3 RARCs added 	<ul style="list-style-type: none"> • N/A • Two of the three new RARCs meet the CORE Code Combinations Evaluation Criteria and can be considered for addition.

2 March 2024 CBR Initial Straw Poll

2.1 RARC Additions

In the latest update to the published code lists, the RARC authors added the following RARCs to the published list:

Table 2. RARCs Added in March 2024 Update

RARC #	RARC Description
N893	Missing/incomplete/invalid child medical evaluation form/checklist.
N894	Alert: These payments are made subject to a reservation of rights for the Payor to recoup or otherwise recover all or part of these payments based on any of the following: outcome of pending or future litigation/new or updated state, federal or regulatory guidance/any other actions that may affect the Payor's obligation to make these payments.
N895	Processed based on a negotiated fee schedule for a specialty drug program.

2.1.1 RARC N893

New RARC N893 potentially meets the [CORE Code Combinations Evaluation Criteria](#) and can be considered for addition to the CORE Code Combinations. Recommendations for inclusion are in section 2.2.3.

2.1.2 RARC N893 Recommendations: Include RARC N893 with CARCs 250, 251 and 252

The request that resulted in the creation of RARC N893 intended it to be used in combination with CARC 252. The request noted that the referenced checklist should be sent prior to, not on, the claim. Though the request only referenced a Missing Child Medical Evaluation (CME) Checklist, the published wording is inclusive of an incomplete or invalid form. In consideration of this, CORE Staff and Task Group Co-chairs additionally recommend that RARC N893 also be paired with the existing CARCs 250 and 251.

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The March 2024 CBR Initial Straw Poll asks Task Group members if they agree with the inclusion of RARC N893 with CARCs 250, 251, and 252 in CORE-defined Business Scenario #1 in the *CORE Code Combinations*.

Table 3. Summary of RARC N893 Recommendations for Addition to the CORE-required Code Combinations

CARC #	CARC Description	RARC #	RARC Description	ASC X12 CAGC
CORE-defined Business Scenario 1: Additional Information Required- Missing/Invalid/Incomplete Documentation				
250	The attachment/other documentation that was received was the incorrect attachment/document. The expected attachment/document is still missing. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT).	N893	Missing/incomplete/invalid child medical evaluation form/checklist.	CO or PI
251	The attachment/other documentation that was received was incomplete or deficient. The necessary information is still needed to process the claim. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT).			
252	An attachment/other documentation is required to adjudicate this claim/service. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT).			

2.1.3 RARC N894

RARC N894 is an “Alert RARC”, which does not meet the [CORE Code Combinations Evaluation Criteria](#). As such, it is not included in the Task Group March 2024 CBR Initial Straw Poll.

2.1.4 RARC N895

New RARC N895 Processed based on a negotiated fee schedule for a specialty drug program, does not appear to be consistent with any of the four CORE-defined Business Scenarios. To be considered for addition to the *CORE Code Combinations*, there would need to be corresponding CARC(s) currently included in the CORE-required Code Combinations to which this RARC adds additional specificity. The CARC listed in the request which resulted in the creation of this RARC Code listed it as to be used in combination with CARC 45, which is not included in the CORE-required Code Combinations.

CORE staff and co-chairs recommend NOT including RARC N895 in the CORE Code Combinations. The March 2024 CBR Initial Straw Poll gives Task Group members the opportunity to write-in CARCs currently included in the CORE-defined Business Scenarios that should be paired with RARC N895.

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2.1.5 Write-in Code Combinations on the March 2024 CBR Initial Straw Poll (ISP)

CCTG members can write-in CARC(s) currently included in the CORE Code Combinations to which the newly added, non-alert RARCs provide additional specificity. Any CARCs submitted will be included in the Follow-up Straw Poll for consideration by the Task Group.

3 Emergency Code Combination Addition Requests

3.1 Emergency Code Combination Addition Request Summary

The Task Group received an Emergency Code Combination Addition Requests (ECCA) for the addition of RARCs N199, N420, and N770 to the existing CARC 129, along with the CAGCs of CO and PI, under Business Scenario #2. The submitter stated that the request meets requirements 1, 3, 4, and 5 of the ECCA criteria. More information on the criteria can be found [here](#).

3.1.1 Recommendation: Do Not Add RARCs N199, N420 and N770 to Existing CARC 129

The CCTG Co-chairs agreed to deny the requested Emergency Code Combination Additions. This request does not meet criteria 1, 3, or 4. Note: a request must meet criteria 1 or 2 to be considered and criteria 3-5 provide additional requirements only if 1 or 2 are met. CORE Staff and the CCTG Co-chairs determined the requested code combinations do not align with any of the four CORE-defined Business Scenarios and therefore are out of scope of the CORE Uniform Use of CARCs and RARCs Operating Rule and may be deemed proprietary and used by discretion consistent with in Section 4.1.1 of the [CAQH CORE Payment & Remittance \(835\) Uniform Use of CARCs and RARCs Rule Version PR.1.1 August 2022](#).

CORE staff and Co-chairs recommended that the submitter seek advice from the authors of the transaction standard on the correct means of reporting adjustments in their 835 transactions.

Table 4. Summary of the Addition of RARCs N199, N420, and N770 to Existing CARC 129: Not Recommended for Addition to the CORE-required Code Combinations

CARC #	CARC Description	RARC #	RARC Description	ASC X12 CAGC
CORE-defined Business Scenario 2: Missing/Invalid/Incomplete Data from Submitted Claim				
129	Prior processing information appears incorrect. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code or Remittance Advice Remark Code that is not an ALERT.)	N199	Additional payment/recoupment approved based on payer-initiated review/audit.	CO or PI
		N420	Claim payment was the result of a payer's retroactive adjustment due to a Coordination of Benefits or Third Party Liability Recovery.	CO or PI
		N770	The adjustment request received from the provider has been processed. Your original claim has been adjusted based on the information received.	CO or PI

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4 Next Steps

Listed below are the key next steps for the *CORE Code Combinations* Task Group regarding the March 2024 CBR Review:

1. Complete a Task Group Initial Straw Poll of potential Compliance-based Adjustments to the *CORE Code Combinations v3.8.1 February 2024*.
2. Attend the March 2024 Task Group discussion of the Initial Straw Poll results and agreement on Adjustments to the *CORE Code Combinations v3.8.1 February 2024*.
3. If necessary, complete a Task Group Follow-up Straw Poll on potential Compliance-based Adjustments to the *CORE Code Combinations v3.8.1 February 2024* identified via the Initial Straw Poll and Task Group discussion.
 - a. Prior to the distribution of the Follow-up Straw Poll, Task Group Participants will be asked to submit any rationale they have in support of/not in support of the code combination adjustments to be included on the Follow-up Straw Poll. Comments will be distributed with the Follow-up Straw Poll for consideration by the respondents.
4. Review results of Follow-up Straw Poll and reach agreement on final Compliance-based Adjustments to the *CORE Code Combinations v3.8.1 February 2024*.
5. Goal: Per CORE policy, if adjustments are made to the *CORE Code Combinations v3.8.1 February 2024*, publish the *CORE Code Combinations v3.8.2 June 2024* on the CORE website by 06/01/2024 to ensure compliance is met.