North Carolina Medicaid Special Bulletin

An Information Service of the Division of Medical Assistance

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April 2017

Attention Physicians

Session Law 2013-360
Reprocessing of Claims and Medicare
Crossover Claims Subject to
3 Percent Rate Reduction

percent rate reduction in physician services. The 3 percent rate reduction for physician services was implemented March 1, 2015, for current claims and going forward. The rate reduction was applied to majority of previously paid claims over multiple checkwrites earlier this year. For more information, see the April 2015 Special Medicaid Bulletin, <u>Session Law 2013-360 3% Physician Services Rate Reduction Claims Reprocessing Update</u>.

However, some claims and the Physician Medicare Crossover claims reprocessed during this time did not result in the repayment of the rate reduction. Therefore, a reprocessing of claims to apply the 3 percent rate reduction will occur and will be reflected between April 25, 2017 and July 5, 2017, checkwrites.

The affected claims reprocessed between April 25, 2017 and July 5, 2017, checkwrite will appear in a separate section of the paper Remittance Advice (RA) with a unique Explanation of Benefits (EOB) code:

- EOB 06017-REPROCESSED FOR 3% REDUCED PHYSICIAN RATE or,
- EOB 10301-REPROCESSED FOR 3% REDUCED PHYSICIAN RATE-MEDICARE CROSSOVER ONLY.

The 835 electronic transactions will include the reprocessed claims along with other claims submitted for the checkwrite. (There is no separate 835.)

If there are not sufficient funds from claims paid between April 25, 2017 and July 5, 2017, checkwrite to satisfy the recoupment of an overpayment, an Accounts Receivable (AR) will be created. Recoupment of the AR will begin with the subsequent NCTracks checkwrite and the recoupment process will continue with each checkwrite until the full amount due is recouped.

If funds are insufficient to collect the full amount due from the NPI for which the AR was generated, NCTracks will automatically seek to recoup the AR from other NPIs with the same Internal Revenue Service Taxpayer Identification Number. For more information about the AR process, see the Feb. 29, 2016, NCTracks announcement, Change in Processing of Accounts Receivable.

Additional Information:

- January 2014 Medicaid Bulletin (3 Percent Rate Reduction, page 3)
- Medicaid Special Bulletins Feb. 20, 2015 and April 2015
- N.C. Session Laws 2013-360 and 2014-100

Provider Reimbursement DMA, 919-814-0060