



Medicare Part A

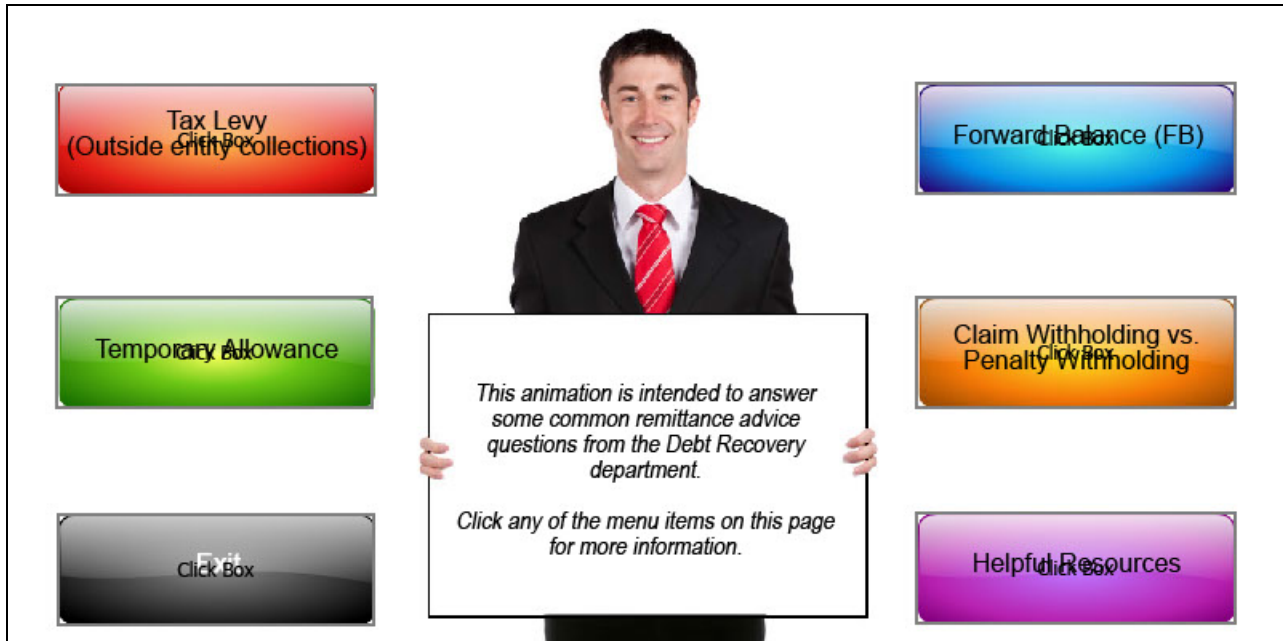
Common
Remittance Advice
Questions

Click here
to begin

Audio available

Medicare Part A

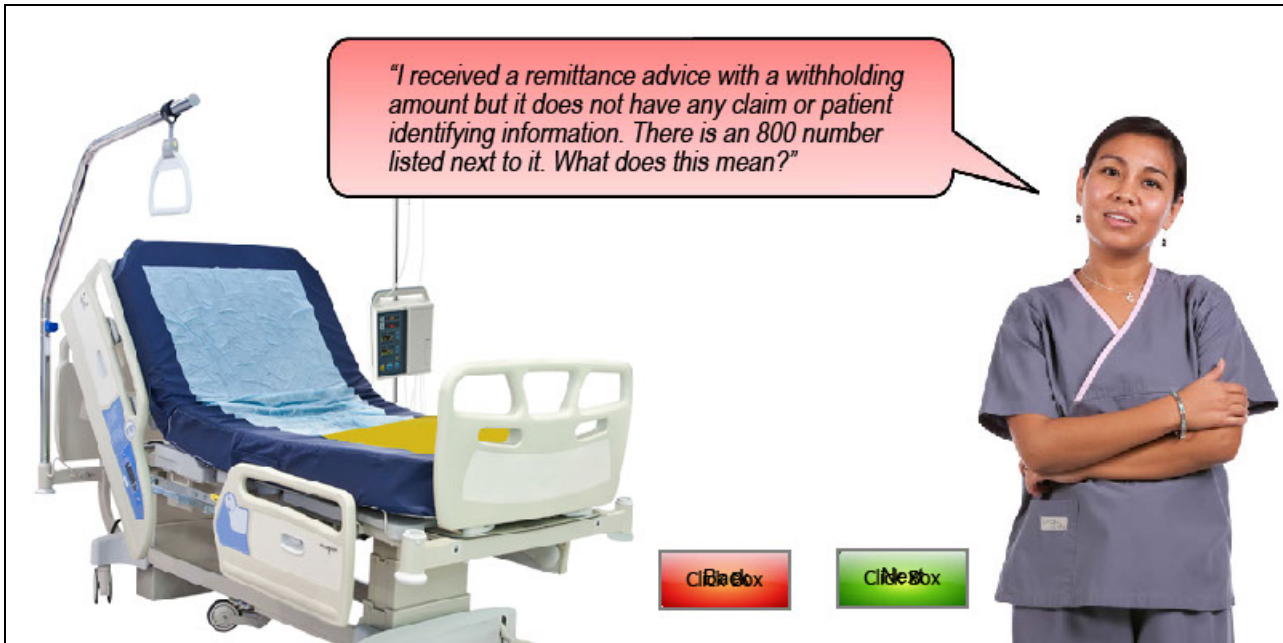
Common Remittance Advice Questions



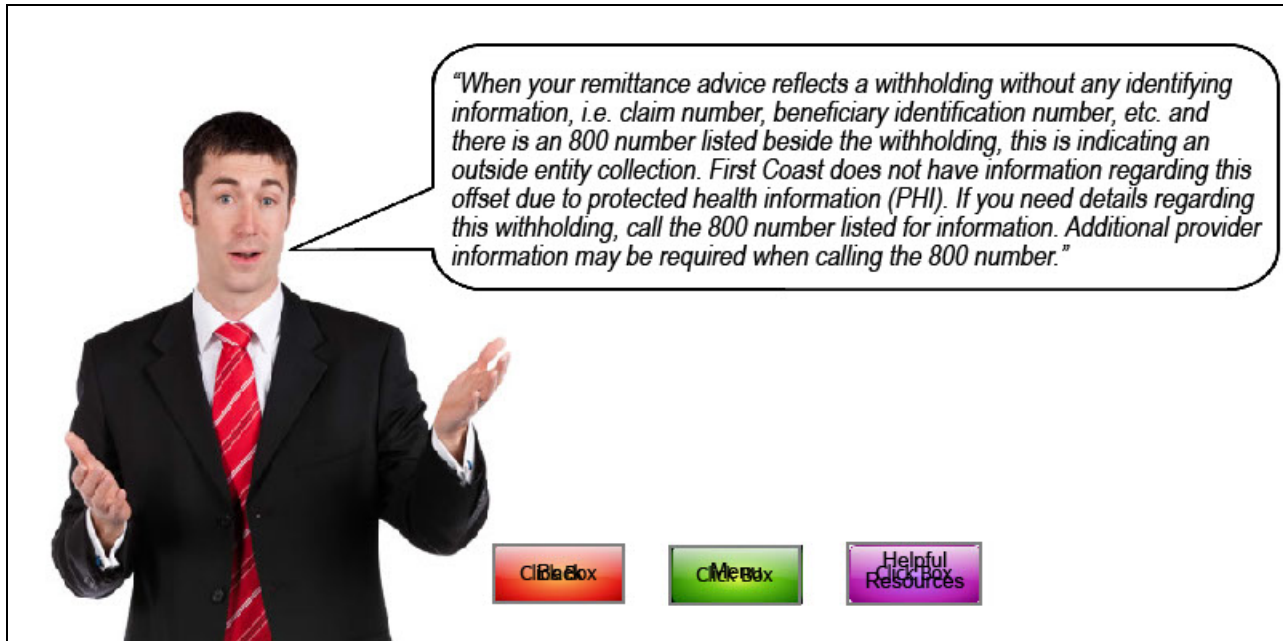
This animation is intended to answer some common remittance advice questions from the Debt Recovery department.

Click any of the menu items on this page for more information.

- Tax Levy (Outside entity collections)
- Temporary Allowance
- Forward Balance (FB)
- Claim Withholding vs. Penalty Withholding
- Helpful Resources



"I received a remittance advice with a withholding amount but it does not have any claim or patient identifying information. There is an 800 number listed next to it. What does this mean?"



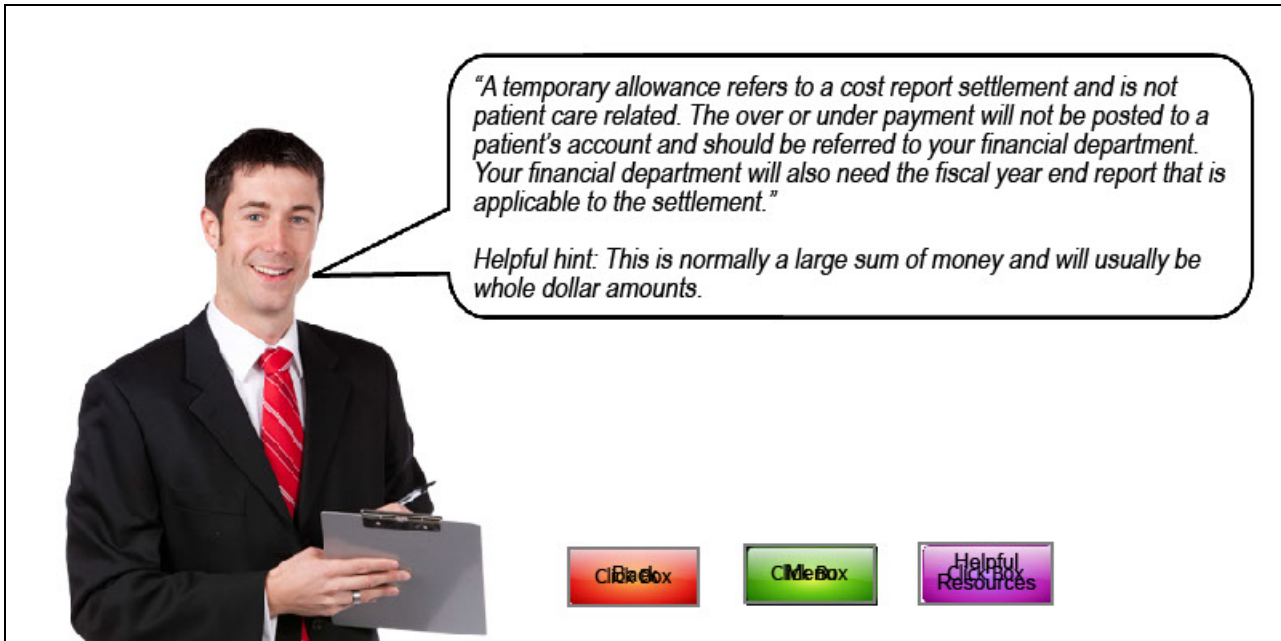
"When your remittance advice reflects a withholding without any identifying information, i.e. claim number, beneficiary identification number, etc. and there is an 800 number listed beside the withholding, this is indicating an outside entity collection. First Coast does not have information regarding this offset due to protected health information (PHI). If you need details regarding this withholding, call the 800 number listed for information. Additional provider information may be required when calling the 800 number."

ClearBox ClearBox Helpful Resources

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"What does temporary allowance mean on a remittance advice?"



"A temporary allowance refers to a cost report settlement and is not patient care related. The over or under payment will not be posted to a patient's account and should be referred to your financial department. Your financial department will also need the fiscal year end report that is applicable to the settlement."

Helpful hint: This is normally a large sum of money and will usually be whole dollar amounts.

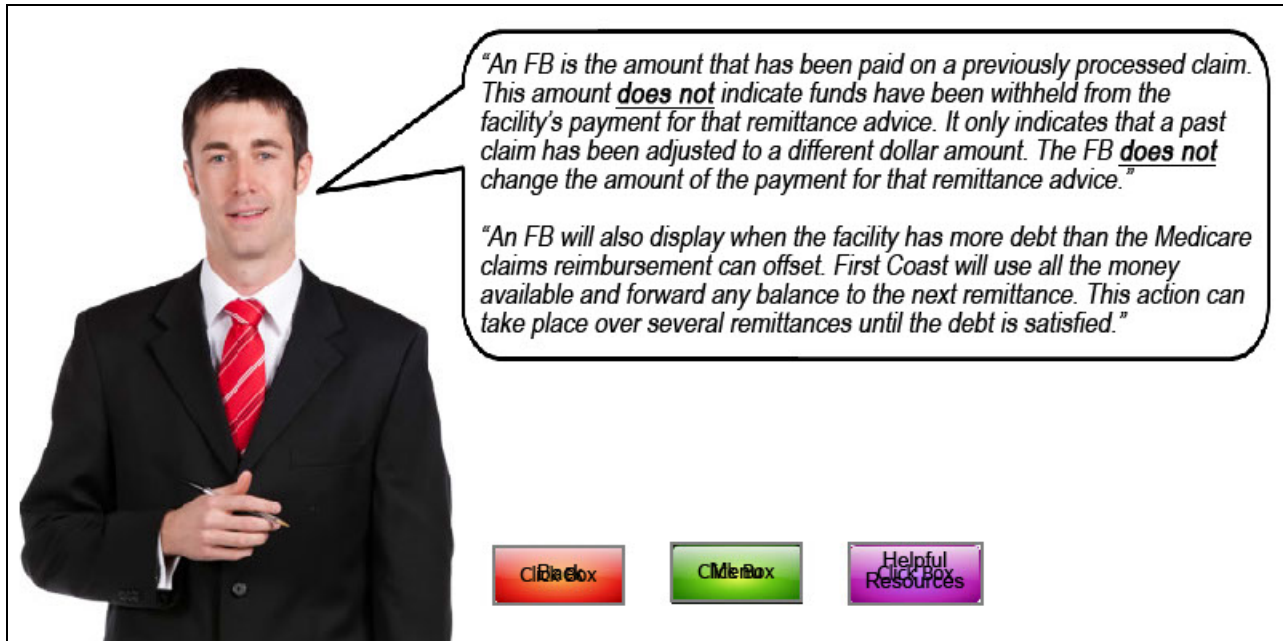
Click Back Click Me Box Helpful Click Box Resources

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"What does forward balance (FB) mean?"



*"An FB is the amount that has been paid on a previously processed claim. This amount **does not** indicate funds have been withheld from the facility's payment for that remittance advice. It only indicates that a past claim has been adjusted to a different dollar amount. The FB **does not** change the amount of the payment for that remittance advice."*

"An FB will also display when the facility has more debt than the Medicare claims reimbursement can offset. First Coast will use all the money available and forward any balance to the next remittance. This action can take place over several remittances until the debt is satisfied."

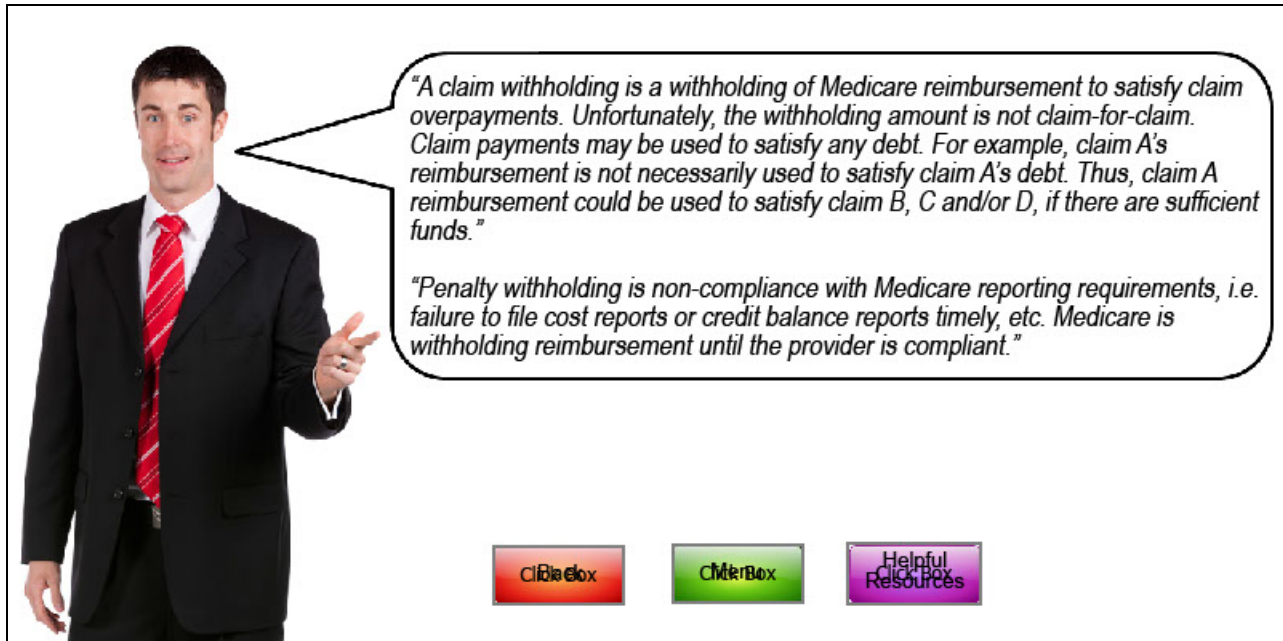
Click Here Click Here Helpful Click Box Resources

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"What is the difference in a claim withholding and a penalty withholding?"



"A claim withholding is a withholding of Medicare reimbursement to satisfy claim overpayments. Unfortunately, the withholding amount is not claim-for-claim. Claim payments may be used to satisfy any debt. For example, claim A's reimbursement is not necessarily used to satisfy claim A's debt. Thus, claim A reimbursement could be used to satisfy claim B, C and/or D, if there are sufficient funds."

"Penalty withholding is non-compliance with Medicare reporting requirements, i.e. failure to file cost reports or credit balance reports timely, etc. Medicare is withholding reimbursement until the provider is compliant."

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Click each Resource for more information

The Medicare Overpayment Collection Process Fact Sheet

<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/OverpaymentBrochure508-09.pdf>

Medicare Financial Management Manual

<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/fin106c03.pdf>

First Coast Website Overpayments

<https://medicare.fcso.com/FAQs/163834.asp>

Common Provider Level Balance (PLB) Codes
(Found on next two pages)

PLB Definition

- 90** Used to identify an early payment allowance.
- B2** Rebate; Used for the refund adjustment. Code "RF" appears on an Institutional RA (e.g., B2/RF).
- BD** Bad Debt Adjustment
- C5** Temporary Allowance, Non PIP SNF Settlement Payment
- CS** Adjustment; child support, alimony, reissued invoice etc....
- CV** PIP and Non-PIP Capital Pass-through
- DM** PIP and Non-PIP Direct Medical Education
- E3** Withholding; Used to reflect a withholding of a set dollar amount or a percentage of a capitation payment, to be paid later, usually as a result of meeting Performance requirements. Code "CW" appears on an Institutional RA (e.g., E3/CW).
- FB** Used to reflect a balance being moved forward to a future remit or a balance that is brought forward from a prior Medicare Remittance Advice (RA)
- J1** Used when the service provider is also the employer group and they request that monies be applied towards the Group Medical Plan coverage premium instead of the claim; "Suppressed Payment Arrangement".

**PLB Definition**

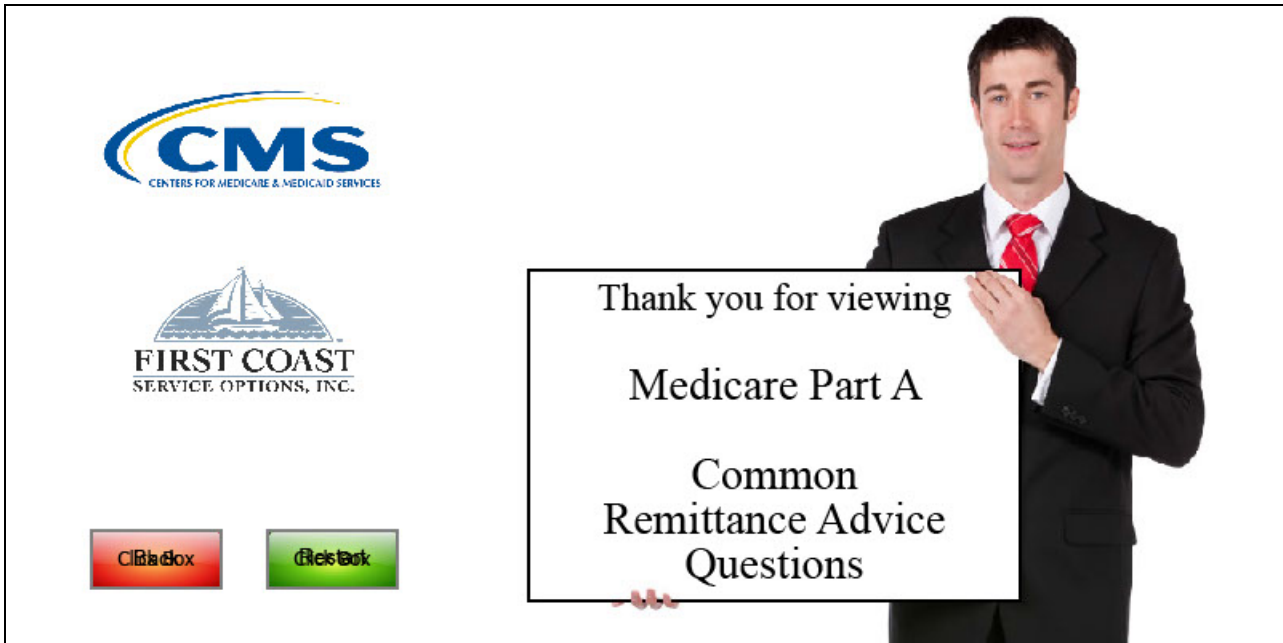
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PLB Definition

- OA** Organ Acquisition; Used to reflect an organ acquisition pass-through. Code "KA" appears on an Institutional RA (e.g., OA/KA).
- OB** Offset for Affiliated; Used to reflect an offset for affiliated providers. Code "OA" appears on an Institutional Part A benefit RA (e.g., OB/OA). Code "OB" appears on an Institutional Part B benefit RA (e.g., OB/OB).
- PI** Periodic Interim Payment; Used for the PIP lump sum, PIP payment, or adjustment after PIP. Payments are reflected by a negative value; adjustments are reflected by a positive value. Code "PL" appears on an Institutional RA for "PIP Lump Sum" (e.g., PI/PL), "PP" for "PIP Payment" (e.g., PI/PP), and "PA" for "Adjustment After PIP" (e.g., PI/PA).
- RE** Return on Equity; Used to reflect a return on equity. Code "RE" appears on an Institutional RA (e.g., RE/RE).
- WO** •Used when a previous overpayment is recouped from the provider of service.
•Used when a reversal and corrected claim are not reported in the same transaction. WO prevents the prior claim payment from being deducted from the transaction.
•Used to offset the PLB 72.
•Used when a reversal and corrected claim are reported and the overpayment is not immediately recouped. WO prevents the prior claim payment from being deducted from the transaction.
- ZZ** Deleted Code; 4/1/2011. Previously used to report hemophilia clotting factor supplement amount until data maintenance approved by ASC X12.

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