

**CMS**  
CENTERS FOR MEDICARE & MEDICAID SERVICES

**FIRST COAST**  
SERVICE OPTIONS, INC.

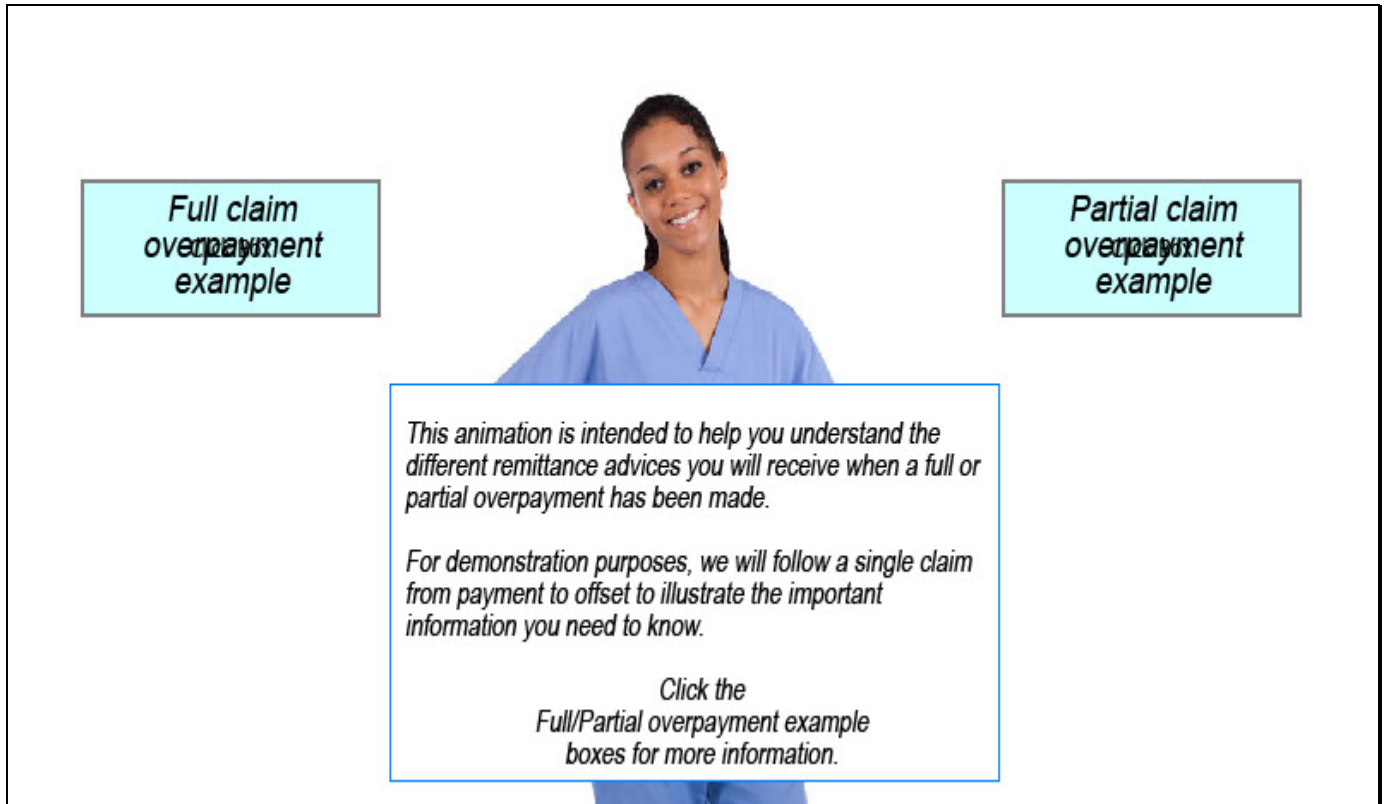
Click here  
to begin

Medicare Part B  
Overpayments

Understanding  
Remittance Advice

Audio available

## Medicare Part B Overpayments Understanding Remittance Advice



**Full claim overpayment example**

**Partial claim overpayment example**

*This animation is intended to help you understand the different remittance advices you will receive when a full or partial overpayment has been made.*

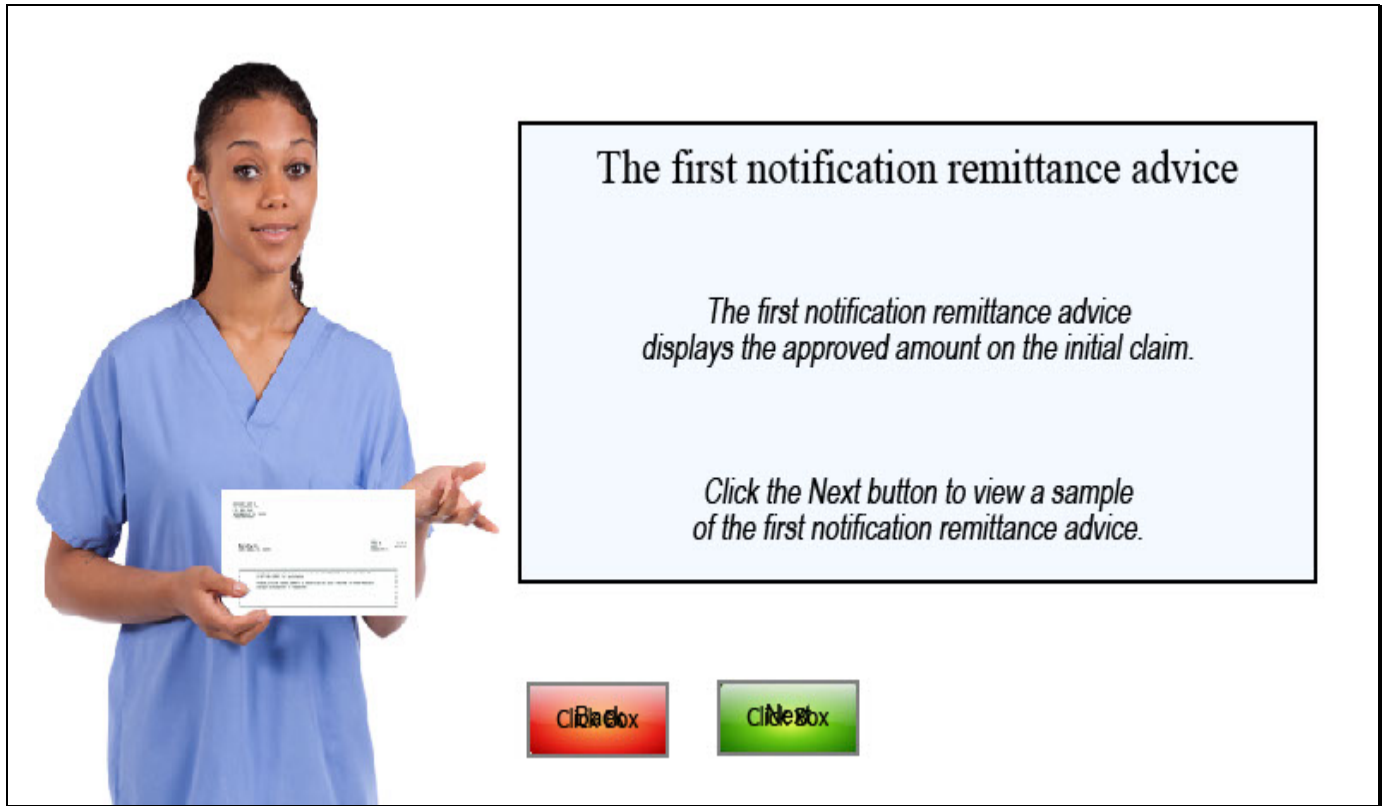
*For demonstration purposes, we will follow a single claim from payment to offset to illustrate the important information you need to know.*

*Click the Full/Partial overpayment example boxes for more information.*

*This animation is intended to help you understand the different remittance advices you will receive when a full or partial overpayment has been made.*

*For demonstration purposes, we will follow a single claim from payment to offset to illustrate the important information you need to know.*

*Click the Full/Partial overpayment example boxes for more information.*



The first notification remittance advice

*The first notification remittance advice displays the approved amount on the initial claim.*

*Click the Next button to view a sample of the first notification remittance advice.*

Click Back

Click Next

## The first notification remittance advice

*The first notification remittance advice displays the approved amount on the initial claim.*

*Click the Next button to view a sample of the first notification remittance advice.*

PERF	PROV	SERV DATE	POS	NOS	PROC	MODS	BILLED	ALLOWED	DEDUCT	COINS	GRP/RC-AMT	PROV PD	
NAME		DOE, JANE		MID 123456789A		ACNT 88888888		ICN 1000000000000		ASGY	MOA	MAJ1	
0000000000	0301	030114	21	1.0	99232		100.55	71.55	0.00	14.31	CO-45	29.00	57.24
PT RESP		14.31		CLAIM TOTALS			100.55	71.55	0.00	14.31		29.00	57.24
											NET	57.24	

*First notification remittance advice:*

*Displays a claim payment of \$57.24*

*Roll your cursor over the highlighted boxes for more information.*

*First notification remittance advice:*

*Displays a claim payment of \$57.24*

*Roll your cursor over the highlighted boxes for more information.*

Date(s) of service

Performing Provider

Place of Service

Number of Services/Units

Procedure Code

Modifiers

Amount Billed

Allowed Amount

Deductible

Coinsurance

Group Codes and Claim Adjustment Reason Codes (CARCs)

Provider Paid Amount

Assignment accepted: Yes

Remittance Advice Remark Code (RARC) MAO1

Alert: If you do not agree with what we approved for these services, you may appeal our decision. To make sure that we are fair to you, we require another individual that did not process your initial claim to conduct the appeal. However, in order to be eligible for an appeal, you must write to us within 120 days of the date you received this notice, unless you have a good reason for being late.

Patient Responsibility

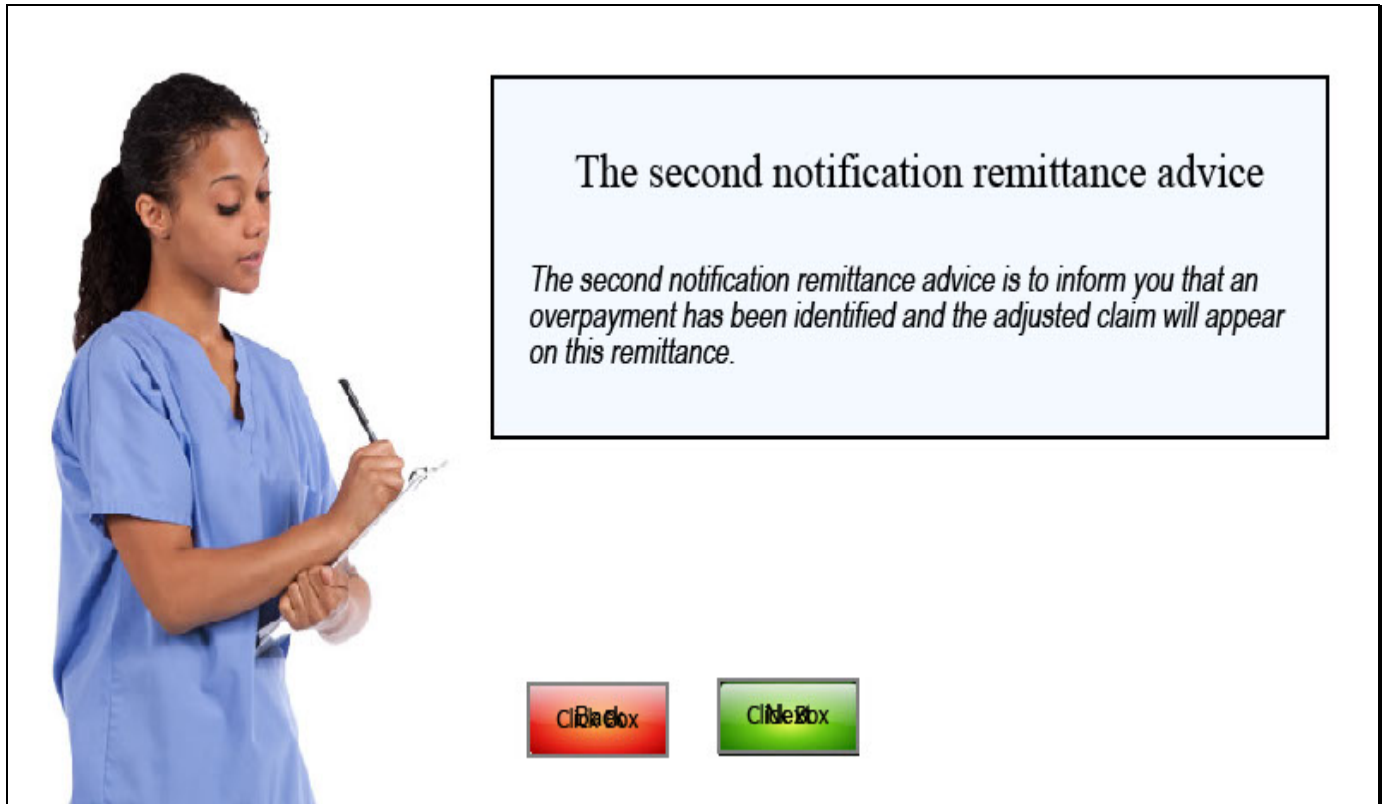
Claim Adjustment Reason Codes (CARC): CO-45

Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement. (Use only with Group Codes CO or PR depending upon liability)

CO - Contractual Obligation

PR - Patient Responsibility

Net Claim Payment \$57.24



The second notification remittance advice

*The second notification remittance advice is to inform you that an overpayment has been identified and the adjusted claim will appear on this remittance.*

ClickBox ClickBox

## The second notification remittance advice

*The second notification remittance advice is to inform you that an overpayment has been identified and the adjusted claim will appear on this remittance.*

## The second notification remittance advice

*The provider will receive a demand letter and remittance advice separately. You will need both documents to have a clear understanding of the overpayment rationale.*

*The demand letter will include an attachment that will provide the original claim number, beneficiary name, Medicare identification number (MID), service dates (from/to), overpayment amount, date paid, performing provider number and reason for the overpayment.*

*Compare the claim details from the first notification remittance advice to the new claim adjustment detail lines to determine what information has changed. This will help you understand why an overpayment occurred.*

*Click the Next button to view a sample of the second notification remittance advice.*



## The second notification remittance advice

*The provider will receive a demand letter and remittance advice separately. You will need both documents to have a clear understanding of the overpayment rationale.*

*The demand letter will include an attachment that will provide the original claim number, beneficiary name, Medicare identification number (MID), service dates (from/to), overpayment amount, date paid, performing provider number and reason for the overpayment.*

*Compare the claim details from the first notification remittance advice to the new claim adjustment detail lines to determine what information has changed. This will help you understand why an overpayment occurred.*

*Click the Next button to view a sample of the second notification remittance advice.*

PERF	PROV	SERV DATE	POS	NOS	PROC	MODS	BILLED	ALLOWED	DEDUCT	COINS	GRF/RC-AMT	PROV PD	
NAME		DOE, JANE		MID		123456789A		ACNT		88888888		ICN 4800000000000	
ASGY		MOA		MA67		MA01		0000000000		0301 030114 21		1.0 99232	
0000000000		0301 030114 21		1.0 99232		100.55 71.55		0.00 14.31		CO-45 29.00		00.00	
PT RESP		14.31		CLAIM TOTALS		100.55 71.55		0.00 14.31		29.00		00.00	
ADJS: FREV		FD		57.24		INTEREST 0.00		LATE FILING CHARGE		0.00		NET	
0.00		0.00		0.00		0.00		0.00		0.00		0.00	
PROVIDER ADJ DETAILS:		PLB REASON CODE		FCN		AMOUNT		CHECK		AMOUNT		MID NUMBER	
		FB		4800000000000		57.24						123456789A	

**Second notification remittance advice:**

*You can locate information about your overpayment (\$57.24) by notation of "FB" in the PLB reason code followed by the corresponding FCN and MID of the overpayment. This is located in the summary section of the remittance. However, no money has been deducted from this remittance payment for this claim.*

*Roll your cursor over the highlighted green and orange boxes for more information.*

**Second notification remittance advice:**

*You can locate information about your overpayment (\$57.24) by notation of "FB" in the PLB reason code followed by the corresponding FCN and MID of the overpayment. This is located in the summary section of the remittance. However, no money has been deducted from this remittance payment for this claim.*

*Roll your cursor over the highlighted green and orange boxes for more information.*

Roll over this box for overpayment calculation.

Roll over this box to view a sample demand letter attachment.

Provider Level Balance (PLB) Reason Code

Forward Balance (FB)

The FB amount **does not** indicate funds have been withheld from the provider's payment for this remittance advice. It only indicates that a past claim has been adjusted to a different dollar amount. The FB indicated **does not** change the amount of the payment for this remittance advice.

Financial Control Number (FCN): The adjusted claim internal control number (ICN). This number will match the invoice number listed on the attachment of the demand letter.

The invoice number includes a two digit prefix:



(59 = FL, 97 = PR/USVI)

Beneficiary ID number associated with the claim.



*The overpayment is the amount in the PROV PD minus the amount in the ADJS: PREV PD.*


*For the above claim  $\$0.00 - \$57.24 = -\$57.24$ . The overpayment amount for this claim is  $\$57.24$*

### Offset remittance advice

*The offset remittance advice is to inform you of the amount of money deducted from the total amount paid. The corresponding claim information must be found within the overpayment letter received or the previous notification remittance advices.*

*Click the Next button to view a sample of the offset remittance advice.*





## Offset remittance advice

*The offset remittance advice is to inform you of the amount of money deducted from the total amount paid. The corresponding claim information must be found within the overpayment letter received or the previous notification remittance advices.*

*Click the Next button to view a sample of the offset remittance advice.*

PROVIDER ADJ DETAILS:	PLB REASON CODE	FCN	AMOUNT	CHECK AMOUNT	MID NUMBER
	WO	4800000000000	57.24		123456789A

**Offset remittance advice:**

\$57.24 was deducted from the total amount paid on the remittance as notated by the PLB Reason Code WO for "Withholding Offset". This is the only information provided about the overpayment adjustment and is found on the bottom of the remittance advice.

The adjusted claim information can be found on the second notification remittance advice or the overpayment letter.

*Roll your cursor over the highlighted boxes for more information.*

Click here

Click here

**Offset remittance advice:**

\$57.24 was deducted from the total amount paid on the remittance as notated by the PLB Reason Code WO for "Withholding Offset". This is the only information provided about the overpayment adjustment and is found on the bottom of the remittance advice.

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**Overpayment recovery (Withholding Offset-WO)**

A Withholding **does** indicate funds have been withheld from the provider's payment for this remittance advice. This is the result of an adjusted or reversed claim that has caused an overpayment to the provider for a patient's previously paid claim. The WO **does** change the amount of the payment for this remittance advice.

FCN: The adjusted claim ICN. This number will match the invoice number listed on the attachment of the demand letter.



### Summary

*First notification remittance advice:*      -Claim paid

*Second notification remittance advice:*      -Overpayment identified  
    -Paid claim adjusted  
    -FB in PLB reason code  
    -No money deducted from remittance  
    -FCN and invoice number are the same

*Offset remittance advice:*                              -Withholding occurs  
    -WO in PLB reason code  
    -Overpayment amount deducted from remittance total

ClickBox

ClickBox

## Summary

*First notification remittance advice:*      -Claim paid

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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 Chapter 3 - Overpayments  
<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/fin106c03.pdf>

First Coast Website Overpayments  
[https://medicare.fcso.com/searchResults.asp?q=overpayments&site=medicare\\_collection](https://medicare.fcso.com/searchResults.asp?q=overpayments&site=medicare_collection)

Cotiviti Healthcare Website Recovery Audit Program  
<http://www.cotiviti.com/healthcare>

Click here to view a partial claim overpayment example.

## Resources

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  
 Chapter 3 - Overpayments

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

First Coast Website Overpayments

[https://medicare.fcso.com/searchResults.asp?q=overpayments&site=medicare\\_collection](https://medicare.fcso.com/searchResults.asp?q=overpayments&site=medicare_collection)

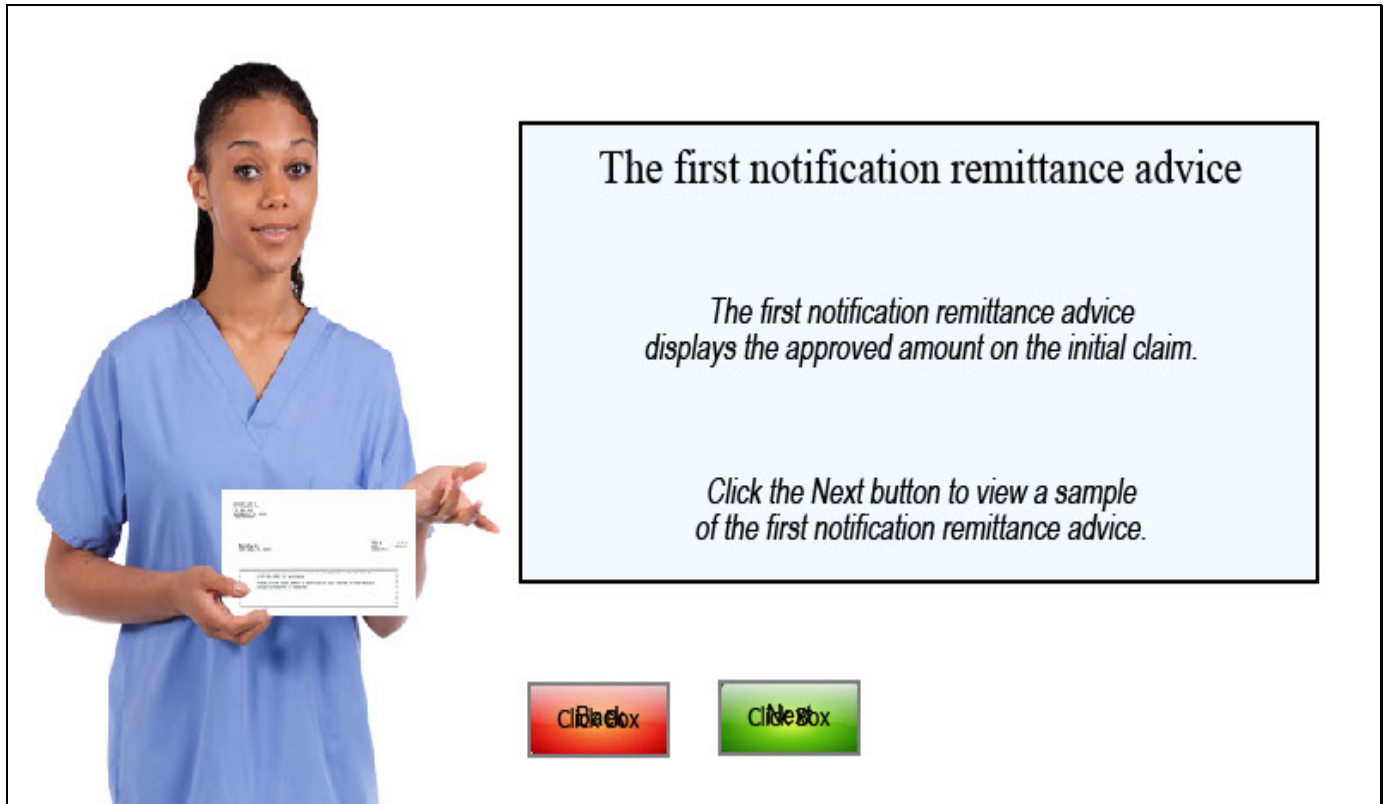
Cotiviti Healthcare Website Recovery Audit Program

<http://www.cotiviti.com/healthcare>



Thank you for viewing

Medicare Part B Overpayments  
Understanding Remittance Advice



The first notification remittance advice

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Click Back    Click Next

## The first notification remittance advice

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PERF	PROV	SERV DATE	POS	NOS	PROC	MODS	BILLED	ALLOWED	DEDUCT	COINS	GRP/RC-AMT	PROV PD	
NAME DOE, JANE		MID 123456789A		ACNT 88888888		ICN 1000000000000		ASGY	MOA MA01				
0000000000	0301	030114	11	1.0	99214	25	236.00	107.56	0.00	21.51	CO-45	128.44	84.33
PT RESP	21.51		CLAIM TOTALS				236.00	107.56	0.00	21.51		128.44	84.33
											NET	84.33	

*First notification remittance advice:*

*Displays a claim payment of \$84.33*

*Roll your cursor over the highlighted boxes for more information.*



*First notification remittance advice:*

*Displays a claim payment of \$84.33*

*Roll your cursor over the highlighted boxes for more information.*

Performing Provider

Date(s) of service

Place of Service

Number of Services/Units

Procedure Code

Modifiers

Amount Billed

Allowed Amount

Deductible

Coinsurance



Group Codes and Claim Adjustment Reason Codes (CARCs)

Provider Paid Amount

Assignment accepted: Yes

Remittance Advice Remark Code (RARC) MAO1

Alert: If you do not agree with what we approved for these services, you may appeal our decision. To make sure that we are fair to you, we require another individual that did not process your initial claim to conduct the appeal. However, in order to be eligible for an appeal, you must write to us within 120 days of the date you received this notice, unless you have a good reason for being late.

Patient Responsibility

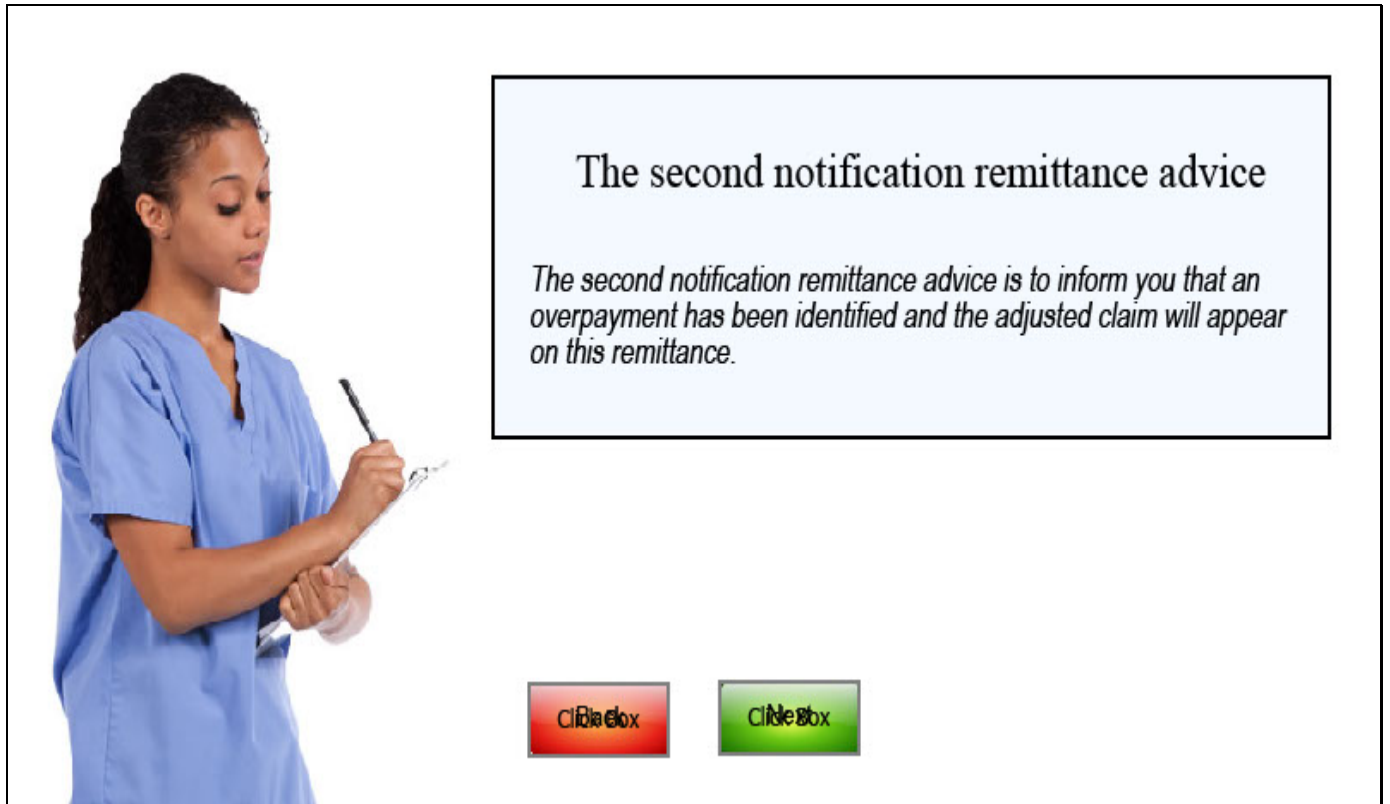
Claim Adjustment Reason Codes (CARC): CO-45

Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement. (Use only with Group Codes CO or PR depending upon liability)

CO - Contractual Obligation

PR - Patient Responsibility

Net Claim Payment \$84.33



The second notification remittance advice

*The second notification remittance advice is to inform you that an overpayment has been identified and the adjusted claim will appear on this remittance.*

ClBlack ClGreen

## The second notification remittance advice

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*Compare the claim details from the first notification remittance advice to the new claim adjustment detail lines to determine what information has changed. This will help you understand why an overpayment occurred.*

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## The second notification remittance advice

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PERFPROV	SERV DATE	POS	NCS	PROC	MODS	BILLED	ALLOWED	DEDUCT	COINS	GRP/RC-AMT	PROV PD
NAME DOE, JANE			MID 123456789A	ACNT 88888888		ICN 9700000000000	ASG Y	MOA MA67 MA01			
0000000000	C30L 030114	11	1.0	99213	25	150.00	72.83	0.00	14.58	CO-45	77.12 57.13
PT RESP	14.58		CLAIM TOTALS			150.00	72.88	0.00	14.58		77.12 57.13
ADJS: PREV PD	84.33	INTEREST	0.00	LATE FILING CHARGE		0.00		NET			00.00
PROVIDER ADJ DETAILS:		PLB REASON CODE	FCN	AMOUNT	CHECK	AMOUNT	MID NUMBER				
		FB	9700000000000	57.13			123456789A				

**Second notification remittance advice:**

You can locate information about your overpayment (\$57.13) by notation of "FB" in the PLB reason code followed by the corresponding FCN and MID of the overpayment. This is located in the summary section of the remittance. However, no money has been deducted from this remittance payment for this claim.

*Roll your cursor over the highlighted green and orange boxes for more information.*

**Second notification remittance advice:**

You can locate information about your overpayment (\$57.13) by notation of "FB" in the PLB reason code followed by the corresponding FCN and MID of the overpayment. This is located in the summary section of the remittance. However, no money has been deducted from this remittance payment for this claim.

*Roll your cursor over the highlighted green and orange boxes for more information.*

Provider Level Balance (PLB) Reason Code  
Forward Balance (FB)

The FB amount **does not** indicate funds have been withheld from the provider's payment for this remittance advice. It only indicates that a past claim has been adjusted to a different dollar amount. The FB indicated **does not** change the amount of the payment for this remittance advice.

Financial Control Number (FCN): The adjusted claim internal control number (ICN)

This number will match the invoice number listed on the attachment of the demand letter.

The invoice number includes a two digit prefix:  
(59 = FL, 97 = PR/USVI)

Beneficiary ID number associated with the claim.

*The overpayment reason is procedure code 99214 was changed to 99213.*




*The overpayment is the amount in the PROV PD minus the amount in the ADJS: PREV PD.*

*For the above claim  $\$57.13 - \$84.33 = -\$27.20$ . The overpayment amount for this claim is  $\$27.20$ .*

## Offset remittance advice

*The offset remittance advice is to inform you of the amount of money deducted from the total amount paid. The corresponding claim information must be found within the overpayment letter received or the previous notification remittance advices.*

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PROVIDER ADJ DETAILS:	PLB REASON CODE	FCN	AMOUNT	CHECK AMOUNT	MID NUMBER
	WO	970000000000	27.20		123456789A

**Offset remittance advice:**

\$27.20 was deducted from the total amount paid on the remittance as notated with the PLB Reason Code WO for "Withholding Offset". This is the only information provided about the overpayment adjustment and is found on the bottom of the remittance advice.

The adjusted claim information can be found on the second notification remittance advice or the overpayment letter.

*Roll your cursor over the highlighted boxes for more information.*

Click

Click

**Offset remittance advice:**

\$27.20 was deducted from the total amount paid on the remittance as notated with the PLB Reason Code WO for "Withholding Offset". This is the only information provided about the overpayment adjustment and is found on the bottom of the remittance advice.

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*Roll your cursor over the highlighted boxes for more information.*


Roll over this box to view a sample demand letter attachment.

Overpayment recovery (Withholding Offset-WO)

A Withholding **does** indicate funds have been withheld from the provider's payment for this remittance advice. This is the result of an adjusted or reversed claim that has caused an overpayment to the provider for a patient's previously paid claim. The WO **does** change the amount of the payment for this remittance advice.

FCN: The adjusted claim ICN

This number will match the invoice number listed on the attachment of the demand letter.





### Summary

*First notification remittance advice:*      -Claim paid

*Second notification remittance advice:*      -Overpayment identified  
    -Paid claim adjusted  
    -FB in PLB reason code  
    -No money deducted from remittance  
    -FCN and invoice number are the same

*Offset remittance advice:*                              -Withholding occurs  
    -WO in PLB reason code  
    -Overpayment amount deducted from remittance total

## Summary

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Click here to view a full claim overpayment example.

## Resources

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