NCPDP Medicare Part D Low Income Cost Sharing/Low Income Subsidy (LICS/LIS) Adjustments Reporting on the

X12/005010X221A1 Health Care Claim Payment/Advice (835)

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1. DISCLAIMER

This reference guide must be used in conjunction with the *X12/005010X221A1 Health Care Claim Payment/Advice (835).* This document does not supersede 005010X221A1. There may be other fields that must be populated that are not noted in this reference guide. This guidance only addresses claims submitted through NCPDP transactions or paper claim forms.

The X12 Technical Report 3 documents (TR3) are available at http://www.x12.org/products/.

2. PURPOSE OF THIS DOCUMENT

Payers may use this guidance to convey a consistent solution for identifying retro-active Low Income Subsidy (LIS) adjustment of pharmacy claims using the 005010X221A1 to their long term care (LTC) business partners. The document should not be used as a standard form to be filled in by payers to provide information that is important to pharmacy providers, pharmacy reconciliation vendors and other implementation units.

3. 005010X221A1 LOW INCOME SUBSIDY (LIS) ADJUSTMENT EXAMPLES

The examples include the following four possible business cases:

- Business Case 1: Series of Copay Changes
- Business Case 2: Series of Adjustment Types
- Business Case 3: Multiple Adjustments in Once Cycle
- Business Case 4: Increase in the Beneficiaries Patient Responsibility

Legend:

005010X221A1 Field	Values/Comments
CLP02 – Claim Status Code[1]	1 = Processed as Primary. 22 = Reversal of previous payment. Note: The correction should be reflective of the CLP02 in original payment. Therefore if a 1, 2, or 3 is sent on the original payment, the reversal should contain the same CLP02 value.
CLP06 – Claim Filing Indicator Code[2]	13 = Point of service ZZ = Mutually Defined
CAS01 – Claim Adjustment Group Code[3]	CO = Contractual obligation PR = Patient Responsibility
CAS02 – Claim Adjustment Reason Code used with Group Code PR	3 = Copayment amount 241 - Low Income Subsidy (LIS) Copayment Amount
CAS02 – Claim Adjustment Reason Code used with Group Code CO	90 = Ingredient cost adjustment 100 = Payment made to patient/insured/responsible party/employer

Business Rule: The value of "ZZ" will appear in CLP06 if any adjustment to the claim was for LIS. If there was no adjustment for LIS, then the CLP06 would contain the value "13" and the CAS would be calculated based on the original submission of the claim. In this example, CAS01 would be PR and CAS02 would be 3 for Copayment Amount.

3.1 BUSINESS CASE 1: SERIES OF COPAY CHANGES

3.1.1 BUSINESS CASE 1.0

LTC Pharmacy has attestation with plan for limited reimbursement for LIS-eligible enrollees residing in skilled nursing facilities.

On date of service, patient had no LIS. Previously, the payer remitted a retro LIS adjustment of $23.70 to the patient to reflect LIS Category 1, copay of $6.30 versus the original copay of $30.00.

[1] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "Claim Status Code" Health Care Claim Payment/Advice (835) 005010X221A1 page 124. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

[2] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "Claim Filing Indicator Code" Health Care Claim Payment/Advice (835) 005010X221A1 pages 126-127. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

[3] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "Claim Adjustment Group Code" Health Care Claim Payment/Advice (835) 005010X221A1 page 198. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

The claim example[4] below illustrates transaction sets where a payer made a full payment on a claim in a previous cycle (Cycle1). The payer sends a reversal and correction in a subsequent cycle (Cycle 2) to adjust the Patient Responsibility Amount and Claim Payment Amount to reflect a retro LIS adjustment for the patient to LIS Category 2, copay of $3.30.

The Patient Responsibility amount has decreased $26.70 from $30.00 to $3.30 (previous adjustment of $23.70 paid to member and current adjustment of $3.00). The Claim Payment Amount has increased $3.00 from $158.87 to $161.87 resulting in a remittance of $3.00 to the LTC pharmacy.

The total amount paid to the provider reported on the 835 in BPR02 for cycle 1 is $1000.00 which includes the $158.87 for this claim. For cycle 2 since the reversal and correction must be reported on the same 835, the total amount paid reported to the provider is $1003.00 which includes the reversal of $158.87 and the corrected claim amount of $161.87. Other claim activity = $1000.00, Reversal = $158.87, Corrected Claim = $161.87 (1000.00-158.87+161.87 = 1003.00).

Note: Reversal and corrections are required to be submitted in the same cycle with the 005010X221A1.

Loop	**Reference Designator Definition**	**Cycle 1 (Payment)**			**Cycle 2 (Reversal)**			**Cycle 2 (Correction)**	
	Total Actual Provider Payment Amount	BPR02:	1000.00		BPR02:	1003.00		BPR02:	1003.00
2100	Claim Submitter's Identifier	CLP01:	1234589		CLP01:	1234589		CLP01:	1234589
	Claim Status Code	CLP02:	1		CLP02:	22		CLP02:	1
	Total Claim Charge Amount	CLP03:	242.80		CLP03:	-242.80		CLP03:	242.80
	Claim Payment Amount	CLP04:	158.87		CLP04:	-158.87		CLP04:	161.87
	Patient Responsibility Amount	CLP05:	30.00		CLP05:			CLP05:	3.30
	Claim Filing Indicator Code	CLP06:	13		CLP06:	ZZ		CLP06:	ZZ
	Entity Identifier Code	NM101:	QC		NM101:	QC		NM101:	QC
	Entity Type	NM102:	1		NM102:	1		NM102:	1
	Patient Last Name	NM103:	Last		NM103:	Last		NM103:	Last
	Patient First Name	NM104:	First		NM104:	First		NM104:	First
	Identification Code Qualifier	NM108:	MI		NM108:	MI		NM108:	MI
	Patient Identifier	NM109:	987654321		NM109:	987654321		NM109:	987654321
2110	Composite Medical Procedure Code	SVC01-1:	N4		SVC01-1:	N4		SVC01-1:	N4
	Procedure Code	SVC01-2:	12345678901		SVC01-2:	12345678901		SVC01-2:	12345678901
	Line Item Charge Amount	SVC02:	242.80		SVC02:	-242.80		SVC12:	242.80
	Line Item Provider Payment Amount	SVC03:	158.87		SVC03:	-158.87		SVC03:	161.87
	Quantity	SVC05:	30		SVC05:	30		SVC05:	30
	Date Time Qualifier	DTM01:	472		DTM01:	472		DTM01:	472
	Service Date	DTM02:	20111015		DTM02:	20111015		DTM02:	20111015
	Claim Adjustment Group Code	CAS01:	PR		CAS01:	PR		CAS01:	PR
	Claim Adjustment Reason Code	CAS02:	3		CAS02:	3		CAS02:	241
	Adjustment Amount	CAS03:	30.00		CAS03:	-30.00		CAS03:	3.30

[4] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "10.1.2 Data Use by Business Use" Health Care Claim Payment/Advice (835) 005010X221A1. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

Loop	Reference Designator Definition	Cycle 1 (Payment)			Cycle 2 (Reversal)			Cycle 2 (Correction)	
	Claim Adjustment Group Code	CAS01:	CO		CAS01:	CO		CAS01:	CO
	Claim Adjustment Reason Code	CAS02:	90		CAS02:	90		CAS02:	90
	Adjustment Amount	CAS03:	53.93		CAS03:	-53.93		CAS03:	53.93
	Claim Adjustment Reason Code							CAS05:	100
	Adjustment Amount							CAS06:	23.70

3.1.2 Business Case 1.1

LTC Pharmacy has attestation with plan for limited reimbursement for LIS-eligible enrollees residing in skilled nursing facilities.

Cycle 2 correction reflects claim with LIS Category 2, copay of $3.30.
The claim example[5] below illustrates transaction sets where a payer made a subsequent correction to a correction submitted in a previous cycle (Cycle 2). The payer sends a reversal and correction in a subsequent cycle (Cycle 3) to adjust the Patient Responsibility Amount and Claim Payment Amount to reflect a retro LIS adjustment for the patient to LIS Category 3 (Institutionalized Status), copay of $0.00.

The Patient Responsibility amount has decreased from $3.30 to $0.00. The Claim Payment Amount has increased $3.30 from $161.87 to $165.17 resulting in a remittance of $3.30 to the LTC pharmacy.

The total amount paid to the provider reported on the 835 in BPR02 for cycle 2 is $1003.00 which includes the $161.87 for this claim. For cycle 3 since the reversal and correction must be reported on the same 835, the total amount paid reported to the provider is $1003.30 which includes the reversal of $161.87 and the corrected claim amount of $165.17. Other claim activity = $1000.00, Reversal = $161.87, Corrected Claim = $165.17 (1000.00-161.87+165.17 =1003.30).

Note: Reversal and corrections are required to be submitted in the same cycle with the 005010X221A1.

Loop	Reference Designator Definition	Cycle 2 (Correction)			Cycle 3 (Reversal)			Cycle 3 (Correction)	
	Total Actual Provider Payment Amount	BPR02:	1003.00		BPR02:	1003.30		BPR02:	1003.30
2100	Claim Submitter's Identifier	CLP01:	1234589		CLP01:	1234589		CLP01:	1234589
	Claim Status Code	CLP02:	1		CLP02:	22		CLP02:	1
	Total Claim Charge Amount	CLP03:	242.80		CLP03:	-242.80		CLP03:	242.80
	Claim Payment Amount	CLP04:	161.87		CLP04:	-161.87		CLP04:	165.17
	Patient Responsibility Amount	CLP05:	3.30		CLP05:			CLP05:	
	Claim Filing Indicator Code	CLP06:	ZZ		CLP06:	ZZ		CLP06:	ZZ
	Entity Identifier Code	NM101:	QC		NM101:	QC		NM101:	QC
	Entity Type	NM102:	1		NM102:	1		NM102:	1

[5] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "10.1.2 Data Use by Business Use" Health Care Claim Payment/Advice (835) 005010X221A1. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

Loop	Reference Designator Definition	Cycle 2 (Correction)			Cycle 3 (Reversal)			Cycle 3 (Correction)	
	Patient Last Name	NM103:	Last		NM103:	Last		NM103:	Last
	Patient First Name	NM104:	First		NM104:	First		NM104:	First
	Identification Code Qualifier	NM108:	MI		NM108:	MI		NM108:	MI
	Patient Identifier	NM109:	987654321		NM109:	987654321		NM109:	987654321
2110	Composite Medical Procedure Code	SVC01-1:	N4		SVC01-1:	N4		SVC01-1:	N4
	Procedure Code	SVC01-2:	12345678901		SVC01-2:	12345678901		SVC01-2:	12345678901
	Line Item Charge Amount	SVC02:	242.80		SVC02:	-242.80		SVC02:	242.80
	Line Item Provider Payment Amount	SVC03:	161.87		SVC03:	-161.87		SVC03:	165.17
	Quantity	SVC05:	30		SVC05:	30		SVC05:	30
		DTM01:	472		DTM01:	472		DTM01:	472
	Service Date	DTM02:	20111015		DTM02:	20111015		DTM02:	20111015
	Claim Adjustment Group Code	CAS01:	PR		CAS01:	PR		CAS01:	
	Claim Adjustment Reason Code	CAS02:	241		CAS02:	241		CAS02:	
	Adjustment Amount	CAS03:	3.30		CAS03:	-3.30		CAS03:	
	Claim Adjustment Group Code	CAS01:	CO		CAS01:	CO		CAS01:	CO
	Claim Adjustment Reason Code	CAS02:	90		CAS02:	90		CAS02:	90
	Adjustment Amount	CAS03:	53.93		CAS03:	-53.93		CAS03:	53.93
	Claim Adjustment Reason Code	CAS05:	100		CAS05:	100		CAS05:	100
	Adjustment Amount	CAS06:	23.70		CAS06:	-23.70		CAS06:	23.70

3.2 BUSINESS CASE 2: SERIES OF ADJUSTMENT TYPES

3.2.1 BUSINESS CASE 2.0

LTC Pharmacy has attestation with plan for full reimbursement for LIS-eligible enrollees residing in skilled nursing facilities.

On date of service patient had no LIS .

The claim example[6] below illustrates transaction sets where a payer made a full payment on a claim in a previous cycle (Cycle1). The payer sends a reversal and correction in a subsequent cycle (Cycle 2) to adjust the Patient Responsibility Amount and Claim Payment Amount to reflect a retro LIS adjustment for the patient to LIS Category 2, copay of $3.30.

The Patient Responsibility amount has decreased $26.70 from $30.00 to $3.30. The Claim Payment Amount has increased $26.70 from $158.87 to $185.57 resulting in a remittance of $26.70 to the LTC Pharmacy.

[6] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "10.1.2 Data Use by Business Use" Health Care Claim Payment/Advice (835) 005010X221A1. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

The total amount paid to the provider reported on the 835 in BPR02 for cycle 1 is $1000.00 which includes the $158.87 for this claim. For cycle 2 since the reversal and correction must be reported on the same 835, the total amount paid reported to the provider is $1026.70 which includes the reversal of $158.87 and the corrected claim amount of $185.57. Other claim activity = $1000.00, Reversal = $158.87, Corrected Claim = $185.57 (1000.00-158.87+185.57 =1026.70)

Note: Reversal and corrections are required to be submitted in the same cycle with the 005010X221A1.

Loop	**Reference Designator Definition**	**Cycle 1 (Payment)**			**Cycle 2 (Reversal)**			**Cycle 2 (Correction)**	
	Total Actual Provider Payment Amount	BPR02:	1000.00		BPR02:	1026.70		BPR02:	1026.70
2100	Claim Submitter's Identifier	CLP01:	1234589		CLP01:	1234589		CLP01:	1234589
	Claim Status Code	CLP02:	1		CLP02:	22		CLP02:	1
	Total Claim Charge Amount	CLP03:	242.80		CLP03:	-242.80		CLP03:	242.80
	Claim Payment Amount	CLP04:	158.87		CLP04:	-158.87		CLP04:	185.57
	Patient Responsibility Amount	CLP05:	30.00		CLP05:			CLP05:	3.30
	Claim Filing Indicator Code	CLP06:	13		CLP06:	13		CLP06:	ZZ
	Entity Identifier Code	NM101:	QC		NM101:	QC		NM101:	QC
	Entity Type	NM102:	1		NM102:	1		NM102:	1
	Patient Last Name	NM103:	Last		NM103:	Last		NM103:	Last
	Patient First Name	NM104:	First		NM104:	First		NM104:	First
	Identification Code Qualifier	NM108:	MI		NM108:	MI		NM108:	MI
	Patient Identifier	NM109:	987654321		NM109:	987654321		NM109:	987654321
2110	Composite Medical Procedure Code	SVC01-1:	N4		SVC01-1:	N4		SVC01-1:	N4
	Procedure Code	SVC01-2:	12345678901		SVC01-2:	12345678901		SVC01-2:	12345678901
	Line Item Charge Amount	SVC02:	242.80		SVC02:	-242.80		SVC02:	242.80
	Line Item Provider Payment Amount	SVC03:	158.87		SVC03:	-158.87		SVC03:	185.57
	Quantity	SVC05:	30		SVC05:	30		SVC05:	30
	Date Time Qualifier	DTM01:	472		DTM01:	472		DTM01:	472
	Service Date	DTM02:	20111015		DTM02:	20111015		DTM02:	20111015
	Claim Adjustment Group Code	CAS01:	PR		CAS01:	PR		CAS01:	PR
	Claim Adjustment Reason Code	CAS02:	3		CAS02:	3		CAS02:	241
	Adjustment Amount	CAS03:	30.00		CAS03:	-30.00		CAS03:	3.30
	Claim Adjustment Group Code	CAS01:	CO		CAS01:	CO		CAS01:	CO
	Claim Adjustment Reason Code	CAS02:	90		CAS02:	90		CAS02:	90
	Adjustment Amount	CAS03:	53.93		CAS03:	-53.93		CAS03:	53.93

3.2.2 BUSINESS CASE 2.1

LTC Pharmacy has attestation with plan for full reimbursement for LIS-eligible enrollees residing in skilled nursing facilities.

Cycle 2 correction reflects claim with LIS Category 2, copay of $3.30.

The claim example above illustrates transaction sets where a payer made a subsequent correction to a correction submitted in a previous cycle (Cycle 2). The payer sends a reversal and correction in a subsequent cycle (Cycle 3) to adjust the Claim Payment Amount due to a change in the Ingredient Cost Adjustment from $53.93 to $63.93.

The Patient Responsibility amount remains unchanged at $3.30. The Claim Payment Amount has decreased $10.00 from $185.57 to $175.57 resulting in a deduction of $10.00 from the LTC pharmacy provider.

The total amount paid to the provider reported on the 835 in BPR02 for cycle 2 is $1026.70 which includes the $185.57 for this claim. For cycle 3 since the reversal and correction must be reported on the same 835, the total amount paid reported to the provider is $990.00 which includes the reversal of $185.57 and the corrected claim amount of $175.57. Other claim activity = $1000.00, Reversal = $185.57, Corrected Claim = $175.57 (1000.00-185.57+175.57 = 990.00)

Note: Reversal and corrections are required to be submitted in the same cycle with the 005010X221A1.

Loop	**Reference Designator Definition**	**Cycle 2 (Correction)**			**Cycle 3 (Reversal)**			**Cycle 3 (Correction)**	
	Total Actual Provider Payment Amount	BPR02:	1026.70		BPR02:	990.00		BPR02:	990.00
2100	Claim Submitter's Identifier	CLP01:	1234589		CLP01:	1234589		CLP01:	1234589
	Claim Status Code	CLP02:	1		CLP02:	22		CLP02:	1
	Total Claim Charge Amount	CLP03:	242.80		CLP03:	-242.80		CLP03:	242.80
	Claim Payment Amount	CLP04:	185.57		CLP04:	-185.57		CLP04:	175.57
	Patient Responsibility Amount	CLP05:	3.30		CLP05:			CLP05:	3.30
	Claim Filing Indicator Code	CLP06:	ZZ		CLP06:	ZZ		CLP06:	13
	Entity Identifier Code	NM101:	QC		NM101:	QC		NM101:	QC
	Entity Type	NM102:	1		NM102:	1		NM102:	1
	Patient Last Name	NM103:	Last		NM103:	Last		NM103:	Last
	Patient First Name	NM104:	First		NM104:	First		NM104:	First
	Identification Code Qualifier	NM108:	MI		NM108:	MI		NM108:	MI
	Patient Identifier	NM109:	987654321		NM109:	987654321		NM109:	987654321
2110	Composite Medical Procedure Code	SVC01-1:	N4		SVC01-1:	N4		SVC01-1:	N4
	Procedure Code	SVC01-2:	12345678901		SVC01-2:	12345678901		SVC01-2:	12345678901
	Line Item Charge Amount	SVC02:	242.80		SVC02:	-242.80		SVC02:	242.80
	Line Item Provider Payment Amount	SVC03:	185.57		SVC03:	-185.57		SVC03:	175.57
	Quantity	SVC05:	30		SVC05:	30		SVC05:	30
		DTM01:	472		DTM01:	472		DTM01:	472
	Service Date	DTM02:	20111015		DTM02:	20111015		DTM02:	20111015
	Claim Adjustment Group Code	CAS01:	PR		CAS01:	PR		CAS01:	PR
	Claim Adjustment Reason Code	CAS02:	241		CAS02:	241		CAS02:	3
	Adjustment Amount	CAS03:	3.30		CAS03:	-3.30		CAS03:	3.30
	Claim Adjustment Group Code	CAS01:	CO		CAS01:	CO		CAS01:	CO
	Claim Adjustment Reason Code	CAS02:	90		CAS02:	90		CAS02:	90
	Adjustment Amount	CAS03:	53.93		CAS03:	-53.93		CAS03:	63.93

3.2.3 BUSINESS CASE 2.2

LTC Pharmacy has attestation with plan for full reimbursement for LIS-eligible enrollees residing in skilled nursing facilities.

Cycle 2 correction reflects claim with LIS Category 2, copay of $3.30.

The claim example[7] below illustrates transaction sets where a payer made a subsequent correction to a correction submitted in a previous cycle (Cycle 3). The payer sends a reversal and correction in a subsequent cycle (Cycle 4) to adjust the Patient Responsibility Amount and Claim Payment Amount to reflect a retro LIS adjustment for the patient to LIS Category 3, copay of $0.00.

The Patient Responsibility amount has decreased $3.30 from $3.30 to $0.00. The Claim Payment Amount has increased $3.30 from $178.87 to $182.17 resulting in a remittance of $3.30 to the LTC pharmacy.

The total amount paid to the provider reported on the 835 in BPR02 for cycle 3 is $990.00 which include the $175.57 for this claim. For cycle 4 since the reversal and correction must be reported on the same 835, the total amount paid reported to the provider is $1003.30 which includes the reversal of $175.57 and the corrected claim amount of $178.87. Other claim activity = $1000.00, Reversal = $175.57, Corrected Claim = $178.87 (1000.00-175.57+178.87 =1003.30)

Note: Reversal and corrections are required to be submitted in the same cycle with the 005010X221A1.

Loop	**Reference Designator Definition**	**Cycle 3 (Correction)**			**Cycle 4 (Reversal)**			**Cycle 4 (Correction)**	
	Total Actual Provider Payment Amount	BPR02:	990.00		BPR02:	1003.30		BPR02:	1003.30
2100	Claim Submitter's Identifier	CLP01:	1234589		CLP01:	1234589		CLP01:	1234589
	Claim Status Code	CLP02:	1		CLP02:	22		CLP02:	1
	Total Claim Charge Amount	CLP03:	242.80		CLP03:	-242.80		CLP03:	242.80
	Claim Payment Amount	CLP04:	175.57		CLP04:	-175.57		CLP04:	178.87
	Patient Responsibility Amount	CLP05:	3.30		CLP05:			CLP05:	
	Claim Filing Indicator Code	CLP06:	13		CLP06:	ZZ		CLP06:	ZZ
	Entity Identifier Code	NM101:	QC		NM101:	QC		NM101:	QC
	Entity Type	NM102:	1		NM102:	1		NM102:	1
	Patient Last Name	NM103:	Last		NM103:	Last		NM103:	Last
	Patient First Name	NM104:	First		NM104:	First		NM104:	First
	Identification Code Qualifier	NM108:	MI		NM108:	MI		NM108:	MI
	Patient Identifier	NM109:	987654321		NM109:	987654321		NM109:	987654321
2110	Composite Medical Procedure Code	SVC01-1:	N4		SVC01-1:	N4		SVC01-1:	N4
	Procedure Code	SVC01-2:	12345678901		SVC01-2:	12345678901		SVC01-2:	12345678901
	Line Item Charge Amount	SVC02:	242.80		SVC02:	-242.80		SVC02:	242.80
	Line Item Provider Payment Amount	SVC03:	175.57		SVC03:	-175.57		SVC03:	178.87

[7] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "10.1.2 Data Use by Business Use" Health Care Claim Payment/Advice (835) 005010X221A1. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

Loop	Reference Designator Definition	Cycle 3 (Correction)			Cycle 4 (Reversal)			Cycle 4 (Correction)	
	Quantity	SVC05:	30		SVC05:	30		SVC05:	30
		DTM01:	472		DTM01:	472		DTM01:	472
	Service Date	DTM02:	20111015		DTM02:	20111015		DTM02:	20111015
	Claim Adjustment Group Code	CAS01:	PR		CAS01:	PR		CAS01:	
	Claim Adjustment Reason Code	CAS02:	3		CAS02:	3		CAS02:	
	Adjustment Amount	CAS03:	3.30		CAS03:	-3.30		CAS03:	
	Claim Adjustment Group Code	CAS01:	CO		CAS01:	CO		CAS01:	CO
	Claim Adjustment Reason Code	CAS02:	90		CAS02:	90		CAS02:	90
	Adjustment Amount	CAS03:	63.93		CAS03:	-63.93		CAS03:	63.93

3.3 Business Case 3: Multiple Adjustments in One Cycle

LTC Pharmacy has attestation with plan for full reimbursement for LIS-eligible enrollees residing in skilled nursing facilities.

On date of service patient had no LIS.

The claim example[8] below illustrates transaction sets where a payer had made a full payment on a claim in a previous cycle (Cycle1). The payer sends a reversal and correction in a subsequent cycle (Cycle 2) to adjust the Patient Responsibility Amount and Claim Payment Amount to reflect a retro LIS adjustment for the patient to LIS Category 3, copay of $0.00 and to adjust the Ingredient Cost Adjustment Amount.

The Patient Responsibility amount has decreased $30.00 from $30.00 to $0.00 resulting in an increase in the Claim Payment Amount of $30.00.

The Ingredient Cost Adjustment Amount has increased $10.00 from $53.93 to $63.93 resulting in a decrease in the Claim Payment Amount of $10.00.

The Claim Payment Amount has increased $20.00 from $158.87 to $178.87 resulting in a remittance of $20.00 to the LTC pharmacy. (30.00 Copay - 10.00 Ingredient Cost = 20.00)

The total amount paid to the provider reported on the 835 in BPR02 for cycle 1 is $1000.00 which includes the $158.87 for this claim. For cycle 2 since the reversal and correction must be reported on the same 835, the total amount paid reported to the provider is $1020.00 which includes the reversal of $158.87 and the corrected claim amount of $178.87. Other claim activity = $1000.00, Reversal = $158.87, Corrected Claim = $178.87 (1000.00-158.87+178.87 =1020.00)

Note: Reversal and corrections are required to be submitted in the same cycle with the 005010X221A1.

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[8] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "10.1.2 Data Use by Business Use" Health Care Claim Payment/Advice (835) 005010X221A1. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

Loop	Reference Designator Definition	Cycle 1 (Payment)			Cycle 2 (Reversal)			Cycle 2 (Correction)	
	Total Actual Provider Payment Amount	BPR02:	1000.00		BPR02:	1020.00		BPR02:	1020.00
2100	Claim Submitter's Identifier	CLP01:	1234589		CLP01:	1234589		CLP01:	1234589
	Claim Status Code	CLP02:	1		CLP02:	22		CLP02:	1
	Total Claim Charge Amount	CLP03:	242.80		CLP03:	-242.80		CLP03:	242.80
	Claim Payment Amount	CLP04:	158.87		CLP04:	-158.87		CLP04:	178.87
	Patient Responsibility Amount	CLP05:	30.00		CLP05:			CLP05:	
	Claim Filing Indicator Code	CLP06:	13		CLP06:	ZZ		CLP06:	ZZ
	Entity Identifier Code	NM101:	QC		NM101:	QC		NM101:	QC
	Entity Type	NM102:	1		NM102:	1		NM102:	1
	Patient Last Name	NM103:	Last		NM103:	Last		NM103:	Last
	Patient First Name	NM104:	First		NM104:	First		NM104:	First
	Identification Code Qualifier	NM108:	MI		NM108:	MI		NM108:	MI
	Patient Identifier	NM109:	987654321		NM109:	987654321		NM109:	987654321
2110	Composite Medical Procedure Code	SVC01-1:	N4		SVC01-1:	N4		SVC01-1:	N4
	Procedure Code	SVC01-2:	12345678901		SVC01-2:	12345678901		SVC01-2:	12345678901
	Line Item Charge Amount	SVC02:	242.80		SVC02:	-242.80		SVC02:	242.80
	Line Item Provider Payment Amount	SVC03:	158.87		SVC03:	-158.87		SVC03:	178.87
	Quantity	SVC05:	30		SVC05:	30		SVC05:	30
	Date Time Qualifier	DTM01:	472		DTM01:	472		DTM01:	472
	Service Date	DTM02:	20111015		DTM02:	20111015		DTM02:	20111015
	Claim Adjustment Group Code	CAS01:	PR		CAS01:	PR		CAS01:	
	Claim Adjustment Reason Code	CAS02:	3		CAS02:	3		CAS02:	
	Adjustment Amount	CAS03:	30.00		CAS03:	-30.00		CAS03:	
	Claim Adjustment Group Code	CAS01:	CO		CAS01:	CO		CAS01:	CO
	Claim Adjustment Reason Code	CAS02:	90		CAS02:	90		CAS02:	90
	Adjustment Amount	CAS03:	53.93		CAS03:	-53.93		CAS03:	63.93

3.4 Business Case 4: Increase in the Beneficiary's Patient Responsibility (Copay)

LTC Pharmacy has attestation with plan for full reimbursement for LIS-eligible enrollees residing in skilled nursing facilities.

On date of service patient had LIS Category 2, copay of $3.30

The claim example[9] below illustrates transaction sets where a payer made a full payment on a claim in a previous cycle (Cycle1).

The payer sends a reversal and correction in a subsequent cycle (Cycle 2) to adjust the Patient Responsibility Amount and Claim Payment Amount to reflect a retro LIS adjustment for the patient to LIS Category 1, copay of $6.30.

[9] Accredited Standards Committee X12, Insurance Subcommittee, X12N. "10.1.2 Data Use by Business Use" Health Care Claim Payment/Advice (835) 005010X221A1. Washington Publishing Company, Apr. 2006. <http://www.wpc-edi.com>.

The Patient Responsibility Amount has increased $3.00 from $3.30 to $6.30. The Claim Payment Amount has decreased $3.00 from $185.57 to $182.57 resulting in a deduction of $3.00 from the LTC Pharmacy. The LTC pharmacy will invoice the patient $3.00 representing the increase in the patient responsibility amount defined in the adjustment.

The total amount paid to the provider reported on the 835 in BPR02 for cycle 1 is $1000.00 which includes the $185.57 for this claim. For cycle 2 since the reversal and correction must be reported on the same 835, the total amount paid reported to the provider is $997.00 which includes the reversal of $185.57 and the corrected claim amount of $182.57. Other claim activity = $1000.00, Reversal = $185.57, Corrected Claim = $182.57. (1000.00-185.57+182.57 = 997.00).

Pharmacy collects the additional $3.00 from the patient for the pharmacy to remain whole.

Note: Reversal and corrections are required to be submitted in the same cycle with the 005010X221A1.

Loop	**Reference Designator Definition**	**Cycle 1 (Payment)**			**Cycle 2 (Reversal)**			**Cycle 2 (Correction)**	
	Total Actual Provider Payment Amount	BPR02:	1000.00		BPR02:	997.00		BPR02:	997.0
2100	Claim Submitter's Identifier	CLP01:	1234589		CLP01:	1234589		CLP01:	1234589
	Claim Status Code	CLP02:	1		CLP02:	22		CLP02:	1
	Total Claim Charge Amount	CLP03:	242.80		CLP03:	-242.80		CLP03:	242.80
	Claim Payment Amount	CLP04:	185.57		CLP04:	-185.57		CLP04:	182.57
	Patient Responsibility Amount	CLP05:	3.30		CLP05:			CLP05:	6.30
	Claim Filing Indicator Code	CLP06:	13		CLP06:	ZZ		CLP06:	ZZ
	Entity Identifier Code	NM101:	QC		NM101:	QC		NM101:	QC
	Entity Type	NM102:	1		NM102:	1		NM102:	1
	Patient Last Name	NM103:	Last		NM103:	Last		NM103:	Last
	Patient First Name	NM104:	First		NM104:	First		NM104:	First
	Identification Code Qualifier	NM108:	MI		NM108:	MI		NM108:	MI
	Patient Identifier	NM109:	987654321		NM109:	987654321		NM109:	987654321
2110	Composite Medical Procedure Code	SVC01-1:	N4		SVC01-1:	N4		SVC01-1:	N4
	Procedure Code	SVC01-2:	12345678901		SVC01-2:	12345678901		SVC01-2:	12345678901
	Line Item Charge Amount	SVC02:	242.80		SVC02:	-242.80		SVC02:	242.80
	Line Item Provider Payment Amount	SVC03:	185.57		SVC03:	-185.57		SVC03:	182.57
	Quantity	SVC05:	30		SVC05:	30		SVC05:	30
	Date Time Qualifier	DTM01:	472		DTM01:	472		DTM01:	472
	Service Date	DTM02:	20111015		DTM02:	20111015		DTM02:	20111015
	Claim Adjustment Group Code	CAS01:	PR		CAS01:	PR		CAS01:	PR
	Claim Adjustment Reason Code	CAS02:	3		CAS02:	3		CAS02:	241
	Adjustment Amount	CAS03:	3.30		CAS03:	-3.30		CAS03:	6.30
	Claim Adjustment Group Code	CAS01:	CO		CAS01:	CO		CAS01:	CO
	Claim Adjustment Reason Code	CAS02:	90		CAS02:	90		CAS02:	90
	Adjustment Amount	CAS03:	53.93		CAS03:	-53.93		CAS03:	53.93

4. REVISION HISTORY

1. March 2017 – Editorial updates to remove slashed zeros (Ø) and replace with zero (0). Also updated the copyright statement as revised 2016, the NCPDP logo and X12 name change from ASC X12 to X12.
2. October 2022 (Republication)
    a. Administrative updates made for grammar and formatting throughout
    b. Updated the X12 website in the disclaimer