



ITASCA MEDICAL CARE (IMCare)
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PROVIDER UPDATE

March 2020
#2020-05

To: IMCare Providers
From: Celeste Tarbuck, IMCare Claims Supervisor
Date: March 24, 2020
RE: Medicare Sequestration Reduction

Providers may be seeing a 2% payment decrease on their Remittance Advice (RA). Effective 3/1/20 providers will see this decrease due to a sequestration payment reduction. This is applicable for dates of service on or after 3/1/2020 only.

Claim adjustment reason code (CARC) 253 is used to report the sequestration reduction. The code will appear as a CO 253 on the RA "Sequestration – reduction in federal payment" as the reason.

Claims with dates-of-service or dates-of-discharge on or after 3/1/20, will continue to incur a 2% reduction in the Medicare payment until further notice. The adjustment will be applied to all claims after determining coinsurance, any applicable deductible, and any applicable Medicare Secondary Payment adjustments.

If you have any questions, please call Celeste Tarbuck at 218-327-6118.