

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES

700 GOVERNORS DRIVE

PIERRE, SD 57501-2291

PHONE: 605-773-3495

FAX: 605-773-5246

WEB: dss.sd.gov



Strong Families - South Dakota's Foundation and Our Future

Jun 8, 2016

ATTENTION: South Dakota Medicaid Providers

FROM: South Dakota Medicaid

RE: Upcoming Changes to the 835 Electronic Remittance Advice

South Dakota Medicaid is working to enhance and expand the information provided on the Accredited Standards Committee (ASC) X12N 835 electronic remittance advice (ERA or 835 transaction) with the intent of eliminating production of the State's paper remittance advice (RA). There are two major changes to be aware of:

- We are expanding our use of the nationally accepted Claim Status Codes (CSC), Claim Adjustment Reason Codes (CARC), and Remittance Advice Remark Codes (RARC) to provide more detail and actionable information on pended or denied claims in the 835 transaction.
- For all claims submitted, either paper or electronic, South Dakota Medicaid will return an 835 transaction with paid or denied claims information and an Unsolicited 277U transaction with pended claims information, as required by HIPAA regulations. The 277U is not yet in production. Please review future listserv announcements regarding this addition.

As we ask our providers to increase their acceptance and full use of the ERAs, we want to understand the state of readiness in the provider community to move to only ERAs. Once the expanded use of the code sets is incorporated and tested with select providers, we intend to stop production of the paper RAs for those providers who are ready to move to only ERAs. **Please look for a survey from South Dakota Medicaid in the coming weeks** that will be structured to assess the amount of time needed for providers to work with clearinghouses, revise internal systems, and determine their readiness to accept only the ERAs.

For those providers who submit paper claims, South Dakota Medicaid is building a secure, online portal from which you may access a printable version of your remittance advice. **We will provide more information on this effort in the near future.**

Thank you for your continued participation and support of the South Dakota Medicaid program. If you have questions please email us at Medical@state.sd.us.

Thank you,
South Dakota Medicaid