



Preventing Paper Claims Rejections

The Department of Veterans Affairs (VA) is transitioning paper claims submitted by community providers to an electronic format, known as Electronic Data Interchange (EDI), using a centralized paper claims intake process. As a part of this transition, VA is consolidating the receipt of paper claims to a single centralized processing location (VHA Office of Community Care P.O. Box 30780 Tampa, FL 33630-3780) where they will be converted to an electronic format. To ensure a successful conversion of paper claims to the electronic format, it is important for community providers to be thorough when filling out paper claims and submitting them to VA. Minimum requirements must be met in order to avoid having a claim rejected.

To increase efficiency and accuracy in claims processing, the paper submission intake system will automatically scan for non-compliant form fields based on national standards, which should reduce the need to correct non-compliant fields throughout claims processing. Please be aware that this intake scan may cause an increase in rejections initially. Community providers who submit non-compliant claims will receive a letter from VA that includes the rejection code and reason for the claim rejection.

The most common reasons paper claims are rejected are described below. Using this information, providers can verify all information is complete and accurate on their paper claims prior to submission, which will avoid any delay in the adjudication and reimbursement of a claim.

How to Avoid Common CMS-1500 Claim Rejections (Claims submitted by individual doctors and practices)

Below is a list of the most common reasons for CMS-1500 paper claims rejections and the best ways avoid them. When submitting a claim, note the following:

1. Rejection Reason (016): The claim contains a missing, incomplete, or invalid Insured ID.

This is the most common reason for paper claims rejection. The “Insured ID,” which is also the patient’s social security number (SSN), must be included in box 1a and this entry must total exactly 9 numeric digits. A combination of numbers and letters, or an incomplete entry, will result in rejection of the claim.

Example of a valid Insured ID: ###-##-##9#

Example of an invalid Insured ID: ###-##-#9A

1a. INSURED'S I.D. NUMBER	(For Program in Item 1)
Insert Patient's Social Security Number Here	

2. Rejection Reason (086): The claim is missing an Insurance Plan Name or Program Name.

Submissions must include the name of the insurance plan or program in box 9D, “Insurance Plan Name or Program Name,” as shown below, as this is a required field for accepting a claim.

9. OTHER INSURED'S NAME (Last Name, First Name, Middle Initial)	
a. OTHER INSURED'S POLICY OR GROUP NUMBER	
b. OTHER INSURED'S DATE OF BIRTH	SEX
MM DD YY	M <input type="checkbox"/> F <input type="checkbox"/>
c. EMPLOYER'S NAME OR SCHOOL NAME	
d. INSURANCE PLAN NAME OR PROGRAM NAME	
Insert Insurance Plan Name or Program Name Here	

3. Rejection Reason (088): The claim has an invalid Service Facility Address (a street address is required).

The location of the service facility, shown in box 32, “Service Facility Location Information,” must be a physical street address of a building where the actual

service was performed. A PO Box is not acceptable as a valid street address for the service facility location.

<p>32. SERVICE FACILITY LOCATION INFORMATION</p> <p>Insert Facility Street Address Here</p>
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4. Rejection Reason (070): The claim is missing the Billing Provider State.

Additionally, submissions must include the abbreviation of the state when filling in the billing provider's information in box 33 of the CMS-1500 form. In order to avoid a claim getting rejected please use the state abbreviation instead of spelling out the state (i.e. if the billing provider is located in Ohio designate it as OH not Ohio).

<p>33. BILLING PROVIDER INFO & PH # (XXX) XXXXXXX</p> <p>Billing Provider Name Street Address City, State Zip</p>
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5. Rejection Reason (092): The claim is missing or has a missing/invalid Admission Date when Place of Service (POS) is marked as "21."

If the "Place of Service" in box 24b is marked as "21," then the claim must have an admission date included (as MM DD YY) in box 18, as shown below.

18. HOSPITALIZATION DATES RELATED TO CURRENT SERVICES					
FROM	MM	DD	YY	TO	MM DD YY
	XX	XX	XXXX		XX XX XXXX

Rejection Reason (005): The claim is missing National Drug Code (NDC) Units.

There is currently no box present on the form to input a National Drug Code (NDC) number; however, when/if the provider includes a NDC number, which is normally inputted into or under box 24a, then units of the drug or medication must also be provided.

24. A. DATE(S) OF SERVICE	B. I. C.	D. PROCEDURES, SERVICES, OR SUPPLIES	E. DIAGNOSIS	F. CHARGES	G. DRUG	H. ICD-9	I. RENDERING PROVIDER ID #
From To	PLACE OF SERVICE	(Explain Unusual Circumstances)	POINTERS		UNIT	QUAL	
MM YY MM YY	EMG	MODIFIER					
NDC number included here as well as units							NPI

How to Avoid Common CMS-1450 Claim Rejections (Claims submitted by hospitals)

Below is a list of the most common reasons for CMS-1450 paper claims rejections and the best ways avoid them. When submitting a claim, note the following:

1. Rejection Reason (016): The claim contains a missing, incomplete, or invalid Insured ID.

This is the most common reason for paper claims rejection. The "Insured ID," which is also the patient's SSN, must be included and inputted in box 60 and this entry must total exactly nine numeric digits only. A combination of numbers and letters, or an incomplete entry, will result in rejection of the claim.

Example of a valid Insured ID: ###-##-##9#

Example of an invalid Insured ID: ###-##-#9A

<p>60 INSURED'S UNIQUE ID</p> <p>Insert Patient's Social Security Number Here</p>
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2. Rejection Reason (021): The claim is missing a Patient Account/Control Number.

The "Patient Control Number" in box 3a is a required field for every claim and is generated by the rendering provider.

3a PAT. CNTL #	Insert Patient Control Number Here
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3. Rejection Reason (034): The claim contains an invalid or missing Patient Reason Diagnosis Code.

The diagnosis code, or "Patient Reason DX" is the reason for the Veteran seeing the provider and the reason they are being treated. VA must have at least one official code from the American Medical Association (AMA) database on the form. Please enter the appropriate code in box 70 as shown below, next to "Patient Reason DX."

70 PATIENT REASON DX	Insert At Least One Official Code from the AMA Here
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4. Rejection Reason (093): The claim contains an invalid Attending ID qualifier.

The associated “ID Qualifier” qualifies the NPI number and provides additional information about the provider/doctor. The list of valid ID Qualifiers should be available to the billing provider via the Center for Medicare & Medicaid Services (CMS). Please include the ID Qualifier in box 76, next to “QUAL” as shown below.

76 ATTENDING	NPI	QUAL	
LAST		FIRST	

5. Rejection Reason (007): The state in the Billing Provider’s Information box 1 is spelled out as opposed to abbreviated.

Submissions must include the abbreviation of the state when filling in the billing provider’s information in box 1 of the CMS-1450 form. In order to avoid a claim getting rejected please use the state abbreviation instead of spelling out the state (i.e. if the billing provider is located in Ohio designate it as OH not Ohio).

1	Provider Name
	Provider Street Address
	Provider City, State Zip
	Provider Phone # Fax. Country Code

Note: For a full list of rejection reasons and corresponding codes, see the Appendix, on the following page.



Appendix: List of Rejection Reasons and Corresponding Code

CMS 1500 Rejection Codes

Reject Code	Professional Reject Language	CMS-1500 Box
001	Missing Service Date From	Box 24A
002	This claim contains one or more missing /incomplete/invalid/inappropriate Place of Service codes.	Box 24B
003	This claim contains one or more missing/incomplete/invalid days or units of Service	Box 24G
004	This claim contains invalid or incomplete CPT/HCPCS codes	Box 24D
005	Missing NDC Units	Box 24 Shaded Area
006	Missing Billing Provider Name or Organization Name	Box 33
007	This claim contains a missing/incomplete/invalid Billing Provider Address	Box 33
008	This claim contains a missing/incomplete/invalid Patient or Subscriber Address	Box 5, Box 7
012	This claim contains a missing Patient Name	Box 2, Box 4
015	Missing Rendering Provider Name/Signature from Box 31	Box 31
016	This claim contains a missing/incomplete/invalid Insured ID	Box 1a
018	This claim contains a missing/incomplete/invalid Date of Birth	Box 3, Box 11a
019	Missing Ambulance Point of Pick-Up Zip Code	Box 24b
020	This claim contains a missing or invalid Patient Gender indicator	Box 3, Box 11a
021	Missing Patient Account Number	Box 26
022	Missing Auto Accident State	Box 10b
028	1500 form 02/12 is required for dates of service on or after 10/1/15	Box 21A-L, Box 24A Dos From
030	Claim has no Service Line	Box 24
032	Future Subscriber Date of Birth	Box 3, Box 11a
033	Billing Date pre-dates Service Date	Box 24a
034	This claim contains Invalid Principal Dx Code	Box 21A
035	This claim contains one or more Invalid Other diagnosis codes	Box 21B-L
037	This claim contains a missing/incomplete/invalid Tax Identification Number (TIN)	Box 25
038	Invalid Form Type when Earliest DOS is later than 09/30/2015	Box 24A



Reject Code	Professional Reject Language	CMS-1500 Box
072	Torn or Damaged claim	N/A
073	Illegible Claim	N/A
074	Attachments	N/A
075	Documents not contracted to process	N/A
076	This claim is missing the Principle Diagnosis Code	Box 21A
069	Missing Billing Provider City	Box 33
070	Missing Billing Provider State	Box 33
082	Missing or Invalid Accident Date and Qualifier when box 10b-c is checked	Box 10b, Box 10c, Box 15, Box 14
084	Missing or Invalid Ambulance Point of Pick-Up City	Box 32
085	Missing or Invalid Ambulance Point of Pick-Up State	Box 32
086	Missing Insurance Plan Name or Program Name	Box 11D, Box 9D
087	Missing or Invalid Billing Provider Zip code	Box 33
088	Invalid Service Facility Address, street address needed	Box 33, Box 32
092	This claim has a missing/invalid Admission Date for POS 21	Box 18
099	Missing valid ambulance modifier	Box 32, Box 23
104	Invalid Insured State	Box 7
105	Invalid Serviceline Provider Taxonomy Code	Box 24I, Box 24J
107	External Cause Code cannot be used as Primary Diagnosis Code	Box 21
109	National Drug Code is not equal to 11 bytes	Box 24

CMS 1450 Rejection Codes

Reject Code	Professional Reject Language	CMS-1450 Box
003	This claim contains one or more missing/incomplete/invalid days or units of Service	Box 46
004	This claim contains invalid or incomplete CPT/HCPCS codes	Box 44
006	Missing Billing Provider Name or Organization Name	Boxes 1 and 2
007	This claim contains a missing/incomplete/invalid Billing Provider Address	Boxes 1 and 2
009	This claim contains missing or Invalid Revenue Code	Box 42
010	Missing statement From Date and/or Through Date	Box 6



Reject Code	Professional Reject Language	CMS-1450 Box
011	Claim contains a missing Patient Name	Boxes 8 and 58
012	Claim contains a missing/invalid Patient Status	Box 17
013	This claim contains a Future Statement/Service Dates	Box 6
014	This inpatient claim has a missing/invalid Admission Type Code	Box 14
016	This claim contains a missing/incomplete/invalid Insured ID Requires 9-digit SSN	Box 60
017	This claim contains a missing Patient Address	Box 9a
018	This claim contains a missing/incomplete/invalid Date of Birth	Box 10
020	This claim contains a missing or invalid Patient Gender indicator	Box 11
021	Missing Patient Control Number	Box 3
023	Missing Patient City	Box 9a
024	Missing Patient State	Box 9b
025	Missing Patient Zip Code	Box 9c
026	This claim contains invalid Principal Procedure Code	Box 74
027	This claim contains invalid Other Procedure Code	Boxes 74a-e
030	Claim has no Service Line	Boxes 42-48 Lines 1-22
031	This claim contains invalid or missing Patient Reason diagnosis code.	Boxes 70a, b, or c
032	Future Subscriber Date of Birth	Box 10
034	This claim contains invalid Principal Dx Code. ICD 10 codes must be used for DOS after 09/30/2015.	Box 67
035	This claim contains one or more invalid Other diagnosis codes. ICD 10 codes must be used for DOS after 09/30/2015.	Box 67a-q
036	This claim contains invalid Admitting Diagnosis Code. ICD 10 codes must be used for DOS after 09/30/2015.	Box 69
037	This claim contains a missing/incomplete/invalid Tax Identification Number (TIN).	Box 5
040	This claim contains invalid Beneficiary Zip Code	Box 9d
041	Missing Service Date (Box 45)	Box 45
042	Missing Statement From Date (Box 6)	Box 6
043	Missing Attending Provider (box 76) for Non-Transportation Claim	Box 76
069	Missing Billing Provider City	Box 1 and Box 2
070	Missing Billing Provider State	Box 1 and Box 2



Reject Code	Professional Reject Language	CMS-1450 Box
071	Missing Billing Provider Zip	Box 1 and Box 2
072	Torn or Damaged claim	N/A
073	Illegible Claim	N/A
074	Attachments	N/A
075	Documents not contracted to process	N/A
076	This claim is missing the Principle Diagnosis Code	Box 67
077	Claim has an invalid State Code	Box 9c
078	Inpatient Claim with missing Admission Hour	Box 13
079	Invalid Ambulance point of pickup zip code	Box 39, 40 and 41
089	Invalid Service Dates (Box 6)	Box 6
090	Invalid Pay To Provider State Code	Box 2
091	Invalid Pay To Provider Zip Code	Box 2
093	This claim has an invalid Attending ID qualifier in box 76	Box 76
094	This claim has an invalid Operating ID qualifier in box 77	Box 77
096	This claim contains one or more invalid Condition Codes	Box 18-28
097	Missing Admission Type when Admission Date is Present	Box 14
098	This claim contains one or more invalid Value Codes	Box 39, 40 and 41
103	Invalid Source of Admission Code	Box 15
106	Inpatient claim with no Accommodation Revenue Code	Box 42
108	Referring and Attending Physician NPI are equal	Box 76, Box 78, Box 79
110	Service To date invalid. Must be greater than or equal to Service From date	Box 6
111	Invalid HCPCS modifier codes	Box 44
112	Occurrence date invalid. Must be less than one year earlier than statement from date when occurrence code equals 10 (Last Menstrual Period). This occurrence code only applies when patient is being treated for a maternity related condition.	Box 44
113	A service line unit value of zero is invalid.	Box 46
114	Invalid Billing Provider Zip Code	Box 1
117	Invalid Type Of Bill Code	Box 4
120	This claim contains one or more invalid External Cause of Injury code	Box 72a-c



Reject Code	Professional Reject Language	CMS-1450 Box
121	ICD-9 codes and qualifiers may not be used after to the effective date of 10/1/2015	Box 69
124	Submitters should not submit negative charges and units as adjustments. To correct a claim, the submitter should instead void and replace the previous submission.	Box 46 and Box 47
125	This outpatient claim has a missing Admission Type Code	Box 14
126	Invalid Billing Provider Taxonomy Code	Box 81CCa
131	This outpatient claim has an invalid Admission Type Code	Box 14