



The State of New Hampshire Insurance Department

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BULLETIN **Docket #INS 25-021-AB**

TO: All New Hampshire Licensed Health Carriers
FROM: Commissioner David J. Bettencourt
DATE: March 4, 2025
RE: Guidance on Retroactive Denial of Health Claims

A handwritten signature in blue ink, appearing to read "D.J. Bettencourt".

This Bulletin clarifies the limitations on health carriers' rights to retroactively collect reimbursements from healthcare providers. The Department has noted numerous instances where carriers improperly denied previously settled claims beyond the legally sanctioned 12-month period. This Bulletin reminds carriers of the statutory restrictions that govern these practices.

RSA 420-J:8-b explicitly states the conditions under which retroactive claim denials are permissible. Carriers may only execute these denials if they meet both of the following criteria:

1. The carrier provides a written explanation for the retroactive denial to the healthcare provider.
2. The elapsed time since the payment date of the contested claim does not exceed 12 months.

To satisfy the first requirement, carriers must provide advance written notice to the provider at least 15 days before initiating any recoupments. This statute requires that the notice be detailed enough to allow the provider to understand the rationale behind the decision and offer an opportunity for necessary correction. Vague phrases like "an adjustment has been made" fail to meet legal standards.

When a carrier retroactively denies a medical claim, it must include the appropriate federal CARC/RARC denial reason codes in its written communications with providers. CARC codes explain the reasons for discrepancies in payment amounts, while RARC codes provide additional details regarding claim adjustments.

- CARC codes are located at <https://x12.org/codes/claim-adjustment-reason-codes>
- RARC codes are located at <https://x12.org/codes/remittance-advice-remark-codes>

In cases of retroactive denial of pharmacy claims, carriers must also include the federal NCPDC denial reason codes in their notices. NCPDC codes clarify the reasons behind the denial of pharmacy claims.

NCPDC codes are located at

https://dss.mo.gov/mhd/cs/pharmacy/pdf/ncpdp_codes.pdf.

Carriers must understand that RSA 420-J:8-b, II(b) permits retroactive denials beyond 12 months only in very specific situations. Carriers cannot retroactively deny or “claw back” previously paid claims for covered services solely because they discover another payer may have liability. They must accurately determine which plan holds primary responsibility for payment. In coordination of benefits scenarios, carriers cannot recoup funds from providers. For additional clarification, refer to Ins 1904.08, and all carriers are urged to review Ins 1904.05, the Rules for Coordination of Benefits, to understand the order of benefit payments clearly.

Furthermore, clawbacks are not all-or-nothing scenarios. RSA 420-J:8-b, II explicitly states that certain portions of a claim can undergo clawback (“any part thereof”). Carriers may only make a retroactive adjustment when a the carrier has confirmed the provider received excess reimbursement due to another payer’s adjustments. The clawback amount must correspond strictly to what the other payer covers, adhering to applicable coordination of benefits regulations.

For any inquiries regarding this Bulletin, contact Consumer Services at the New Hampshire Insurance Department via email at consumerservices@ins.nh.gov or by telephone at 603-271-2261.