



January 18, 2022

Web Announcement 2685

## **Attention All Providers: Update on Claims Denied with Error Code 2504 When Other Insurance Applied to Co-Pay or Co-Insurance**

Claims have been denying with error code 2504 (Client covered by private insurance) when the claim is submitted with the other insurance allowed applied to the recipient's co-pay or co-insurance. Effective with claims with dates of service on or after January 18, 2022, these claims will process and adjudicate correctly.

Claims that denied incorrectly with error code 2504 with dates of service on or after February 1, 2019, through January 18, 2022, will be reprocessed automatically. A future web announcement will notify providers when the claims are reprocessed.

When claims are reprocessed or released for adjudication, please be aware that all system and clinical claim editor edits are applicable. As a result, there may be no additional payment, and other claim denials may be received. Providers have the right to appeal denied claims, including those denied upon reprocessing. Please refer to [Medicaid Services Manual Chapter 100](#) and the [Billing Manual](#) for information concerning the claim appeal process and time frames.