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DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



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September 29, 2022
NPI # 123456789

REPROCESSING OF LTC AND HOSPICE CLAIMS DUE TO RETROACTIVE RATES
UPDATES

Dear Provider:

The Department of Health Care Services (DHCS) updated reimbursement rates for LTC providers, also affecting the pricing of hospice claims for revenue code 0658 (room and board). This rate update is effective for dates of service on or after January 1, 2013. If the rate was increased, the adjustment is positive. If the rate was reduced, the adjustment is negative.

Also, DHCS identified a claims processing issue affecting LTC claims. This issue caused claims to erroneously deny with Remittance Advice Details (RAD) code **0031: The provider was not eligible for the services billed on the date of service.** The issue affected claims for dates of processing on or after March 01, 2022.

No action is required on your part. The California Medicaid Management Information System (MMIS) Fiscal Intermediary will resubmit and adjust the affected claims. These adjustments will appear on *Remittance Advice Details* (RAD) forms beginning September 15, 2022 (for positive adjustments) and October 27, 2022 (for negative adjustments), with RAD code **0829: LTC retro rate adjustment** and **0901: EPC hospice retro rate adjustment.**

These resubmissions will appear on RAD forms beginning July 21, 2022, with Claim Control Number (CCN) roll number **55 (Resubmit)**. The roll number is the fifth and sixth digits of the CCN prefix **219355**.

The recoveries are authorized under the provisions of *Welfare and Institutions Code* (W&I Code), Sections 14176 and 14177, and *California Code of Regulations* (CCR), Title 22, Section 51458.1(a)(1). In addition, the W&I Code sections authorize DHCS to enter into repayment agreements with providers or offset overpayments against amounts due. If the total warrant amount is not sufficient to offset the recovery, the negative balance will be converted to an accounts receivable transaction and subtracted from future Medi-Cal reimbursements.

If you disagree with any of these resubmissions and adjustments, you may submit a *Claims Inquiry Form* (CIF) within six months of the new RAD date or you may submit an *Appeal Form* within 90 days of the new RAD date. For CIF completion instructions, please refer to the *CIF Completion* and *CIF Special Billing Instructions* sections in the appropriate Part 2 manual or on the Medi-Cal Provider website (www.medi-cal.ca.gov). For *Appeal Form* completion instructions, please refer to the *Appeal Form Completion* section in the appropriate Part 2 manual or on the Medi-Cal Provider website.

If you have questions regarding these resubmissions/adjustments, please call the California MMIS Fiscal Intermediary Telephone Service Center at 1-800-541-5555, option 5, followed by option 5 or write to the California MMIS Fiscal Intermediary Correspondence Specialist Unit at P.O. Box 13029, Sacramento, CA 95813-4029.

Sincerely,

Cindy Garrett

Cindy Garrett
Director, Provider & Member Services
Gainwell Technologies, *on behalf of*
California Department of Health Care Services
Reference Number: P43858