
Remittance Advice Details (RAD) and Reconciling Medi-Cal Payment

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Providers receiving *Remittance Advice Details* (RADs) should reconcile each claim transaction with their records. Claim payments should be posted to a recipient's ledger card. Denies should be reviewed to assure they are correct. Suspended claims currently being processed will be referenced on the RAD with a "suspend" message code. Negative adjustments should be posted as debits to a recipient's ledger card. Accounts Receivable (A/R) transactions should be posted to the appropriate suspense account. It is important that each claim being reported, or not reported, be accounted for and the necessary follow-up performed and that all the rules governing timeliness be followed.

Missing Warrants

If a warrant is known to be stolen, contact the California MMIS Fiscal Intermediary by calling the Telephone Service Center (TSC) number 1-800-541-5555 and furnish the representative with all the known details. Send a written notification that a warrant was stolen to:

Attn: Cash Control Unit
California MMIS Fiscal Intermediary
P.O. Box 13029
Sacramento, CA 95813-4029

After written notification is received, an STD Form 435 (*Request for Duplicate Controller's Warrant*) is released to the State Controller's Office (SCO). The SCO verifies the warrant has not been presented for payment, issues an order to the State Treasurer's Office to place a stop payment on the warrant, and sends Form 435 to the provider for the provider's certification. After the form is returned to the SCO, a replacement warrant is issued and released by the SCO's office. Once a "stop" is put on a warrant, it will not be honored if presented for payment.

If a warrant is presumed to be missing, wait 10 calendar days from the release date before making an inquiry. After 10 days, submit a written notification of a missing warrant and include any information regarding the warrant. Send the notification to the Medi-Cal address above. Include a request that the warrant be reissued.

A search for the warrant will be conducted and an STD 435 will be initiated if appropriate. If a search shows the missing warrant was canceled, the SCO sends the FI a copy of the front and back of the warrant, and the FI forwards this information to the provider.

Returned Warrants

A warrant may be returned by a provider, by the Postal Service as being undeliverable or occasionally by the SCO.

Undeliverable

Undeliverable warrants are researched for a correct address. If a warrant remains undeliverable, it is redeposited into the Health Care Fund. The claim lines appearing on the redeposited warrant are adjusted with a 598 “void” to correct history and to reduce the 1099 earnings amount.

If a warrant was redeposited inadvertently and the claim lines voided, a provider must rebill to receive payment if submission is within timeliness guidelines. However, if a claim is beyond submission timeliness, a first-level appeal must be submitted with the appropriate documentation. If the claim lines were not voided or if the provider sends a written request, the monies are reissued through an Accounts Receivable (A/R) transaction that will appear on a future RAD.

Incorrect Payment

If a warrant is returned by a provider because of an incorrect payment, the warrant is redeposited into the Health Care Deposit Fund. The incorrect payment is adjusted with a 598 void to correct history and to reduce the provider’s 1099 earnings amount. If there are any correct claims that should be paid to the provider, an A/R transaction will appear on a future RAD.

A 598 void adjustment does not appear on the RAD. The 1099 adjustment is reflected in the “Calendar Yr. To Date” row of the “Amount Paid” column on the *Medi-Cal Financial Summary*.

Misdirected RADs and Warrants

The SCO inserts RADs and warrants for the same provider in one envelope, which occasionally results in mailing a RAD and warrant to an incorrect provider. If a misdirected warrant is inadvertently cashed, providers may forward a personal check and the RAD to the correct provider. If preferred, providers may issue a personal check made payable to the Department of Health Care Services and forward it with the RAD to:

Attn: Returned Warrant Unit
State Controller's Office
P.O. Box 942850
Sacramento, CA 94250-0001

Retaining RADs

RADs issued with each checkwrite from the SCO are the only record of Medi-Cal claims adjudication sent to providers. Attach photocopies when submitting *Claims Inquiry Forms* (CIFs) or correspondence to the FI. Retain original RADs in permanent files for future reference.

«Online RADs

Providers can access a PDF version of their RAD and *Medi-Cal Financial Summary* in the Correspondence Center of the Medi-Cal Provider Portal. For more information, refer to "Online RADs" in the *Remittance Advice Details* (RAD) and *Medi-Cal Financial Summary* section of this manual.>>

<<Legend>>

<<Symbols used in the document above are explained in the following table.>>

Symbol	Description
<<	This is a change mark symbol. It is used to indicate where on the page the most recent change begins.
>>	This is a change mark symbol. It is used to indicate where on the page the most recent change ends.