CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES
Michelle Baass | Director

PROVIDER NAME
ADDRESS 1
ADDRESS 2
CITY, STATE ZIP

April 17, 2026
NPI # 123456789

ADJUSTMENT OF HOSPICE CLAIMS DUE TO RETROACTIVE RATE UPDATES

Dear Provider:

The Department of Health Care Services (DHCS) updated the daily and hourly rates for routine home care, continuous home care, inpatient respite care, general inpatient care and the service intensity add-on covered under the hospice program, effective retroactively for dates of service on or after October 1, 2024. If the rate was increased, the adjustment is positive. If the rate was reduced, the adjustment is negative.

No action is required on your part. The California Medicaid Management Information System (MMIS) Fiscal Intermediary will adjust the affected claims. These adjustments will appear on *Remittance Advice Details* (RAD) forms beginning April 16, 2026, (for positive adjustments), and May 21, 2026, (for negative adjustments), with RAD code **0893: Retroactive rate adjustment.**

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 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, refer to the *CIF Completion* and *CIF Special Billing Instructions* sections in the appropriate Part 2 manual or on the Medi-Cal Providers website (*www.medi-cal.ca.gov*). For *Appeal Form* completion instructions, refer to the *Appeal Form Completion* section in the appropriate Part 2 manual or on the Medi-Cal Providers website.

If you have questions regarding these adjustments, 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: P46071