



February 11, 2009

Dear ESRD Provider,

Subject: Claim Reprocessing

EDS, an HP company, has identified a processing error that resulted in the underpayment of many End Stage Renal Disease (ESRD, demonstration program) hard copy crossover claims. On affected claims, the Medi-Cal payment was erroneously reduced by the coinsurance and/or deductible. In addition for a few providers, some ESRD claims, which qualify for a timeliness exemption, were erroneously denied for timeliness. These errors were in place from the inception of the demonstration program until November 2008.

No action is required on your part. EDS is reprocessing the affected claims. Voids (reversals) and resubmits will appear on *Remittance Advice Details* (RADs) beginning February 5, 2009. Voids of previously paid claims will show RAD code **819: Void and resubmit of claims processed in error**. Resubmits will show Claim Control Number (CCN) prefix **902582** or **902584**.

The recoveries (which are anticipated to be temporary, more than offset by the resubmits) are authorized under the provisions of *Welfare and Institutions* (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 the Department of Health Care Services (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 the resubmits, you may submit a *Claims Inquiry Form* (CIF) within six months of the new RAD date. If you disagree with any of the voids, you may submit an appeal within 90 days of the new RAD date. For CIF or appeal completion instructions, please refer to the *Appeal Form Completion*, *CIF Completion* and *CIF Special Billing Instructions* sections in the appropriate Part 2 manual or on the Medi-Cal Web site ([www.medi-cal.ca.gov](http://www.medi-cal.ca.gov)).

If you have questions, please call the Telephone Service Center (TSC) at 1-800-541-5555, select option 11 followed by option 18.

Sincerely,

Nona Carpenter  
Provider Relations Director

Reference Number: P10672