



February 17, 2010

Dear Provider,

Subject: Resubmission of Claims

The Department of Health Care Services (DHCS) directed EDS, an HP company, to implement payment reductions for certain non-contract hospitals, in accordance with *Welfare and Institutions Code* (W&I Code) Section 14166.245 (as amended by Section 57 of the Omnibus Health Trailer Bill of 2008), by September 29, 2008. DHCS had established non-contract per diem rates for certain classes (tertiary and non-tertiary) of eligible non-contract hospitals within geographic regions (Southern California, San Francisco Bay Area and other regions). The rate for each provider was loaded in the Provider Master File (PMF), to be used by the claims processing system to pay these hospitals' acute inpatient claims, for dates of service on or after October 1, 2008.

However, a lawsuit was filed and the courts stopped that pricing methodology and the PMF was changed again with the effective date of April 4, 2009. These updates resulted in claims billed by affected providers that have from-through dates of service that overlap the dates of September 30, 2008, or April 5, 2009, being inappropriately denied with Remittance Advice Details (RAD) code **0031: The provider was not eligible for the services billed on the date of service.**

No action is required on your part. EDS is resubmitting the affected claims with from and through dates of service that overlap the dates of September 30, 2008 and April 5, 2009. These resubmits will appear on RADs beginning February 25, 2010, with Claim Control Number (CCN) prefix **004355**.

If you disagree with any of these resubmits, you may submit a *Claims Inquiry Form* (CIF) within six months 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 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, option 11, followed by option 18.

A handwritten signature in cursive script that reads "Nona Carpenter".

Nona Carpenter  
Provider Relations Director

Reference Number: P13091