



HP Enterprise Services
3215 Prospect Park Drive
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May 26, 2010

Dear Long Term Care Provider,

Subject: Retroactive Rate Adjustments on Long Term Care Crossover Claims

In April 2010, the Department of Health Care Services (DHCS) retroactively increased the Medicare coinsurance rate for Long Term Care (LTC) for days 21-100 from \$133.50 per day to \$137.50 per day each benefit period effective January 1, 2010. HP Enterprise Services fixed the system on April 14, 2010. The impacted claims were either denied or underpaid beginning January 1, 2010, through April 14, 2010.

No action is required on your part. HP is reprocessing the impacted claims. Adjustments and resubmits will appear on the *Remittance Advice Details* (RADs) beginning June 24, 2010, with RAD code **0829: LTC retroactive rate adjustment**. Resubmits will appear with Claim Control Number (CCN) prefix **016055**.

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. 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).

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

Sincerely,

A handwritten signature in black ink that reads "Nona Carpenter".

Nona Carpenter
Provider Relations Director

Reference Number: P14352