



HP Enterprise Services
3215 Prospect Park Drive
Rancho Cordova, CA 95670-6017
+1 916.636.1000

November 16, 2010

Dear Provider,

Subject: Erroneous Payments and Denials for Enteral and Incontinence Products

HP Enterprise Services had identified the following two claims processing issues related to enteral and incontinence products:

- Billing codes **B4034 (enteral feeding supply kit; syringe fed)**, **B4035 (enteral feeding supply kit; pump fed)** and **B4036 (enteral feeding supply kit; gravity fed)** are products covered by Medicare. If the recipient is eligible for Medicare, enteral feeding supplies must be billed to Medicare before being billed to Medi-Cal. These billing codes for enteral products were inadvertently added to the Medi-Cal system and claims were erroneously paid from date of service beginning April 1, 2009, through date of processing January 25, 2010.
- Incontinence supplies are not covered by Medicare and therefore can be billed directly to Medi-Cal without first being billed to Medicare. HCPCS codes A4554 (disposable underpads, all sizes), T4529 (pediatric sized disposable incontinence product, brief/diaper, small/medium size, each), T4532 (pediatric sized disposable incontinence product, protective underwear/pull-on, large size, each), T4534 (youth sized disposable incontinence product, protective underwear/pull-on, each), T4540 (incontinence product, protective underpad, reusable, chair size, each) and T4543 (disposable incontinence product, brief/diaper, bariatric, each), were not added to the Medi-Cal system. Between date of service April 1, 2009, and date of processing January 25, 2010, claims were denied with Remittance Advice Details (RAD) codes **0012: Medi-Cal benefits cannot be paid without proof of payment/description of the denial from Medicare** and **0640: Recipient is not eligible for Medi-Cal benefits without complete denial of coverage from the Medicare Health Maintenance Organization (HMO), Competitive Medical Plan (CMP) or Health Care Prepayment Plan (HCPP). Medi-Cal is not obligated for plan services when the recipient chooses not to go to a plan provider.**

No action is required on your part. HP is reprocessing the affected claims, which will appear on RADs beginning December 2, 2010. These voids will appear with Claim Control Number (CCN) prefix **032777** and with RAD code **0937: Void of claim. Billed code is not a Medi-Cal benefit**. The resubmissions will appear with CCN prefix **032755** and will be paid or denied for a valid reason if a different error is found.



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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 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 these resubmissions, 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 website (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 17.

Sincerely,

A handwritten signature in black ink that reads "Nona Carpenter". The signature is written in a cursive, flowing style.

Nona Carpenter
Provider Relations Director

Reference Number: P14310