



February 21, 2008

Dear Hospice Provider,

Subject: Retroactive Rate Increase

The Centers for Medicare & Medicaid Services (CMS) has updated the daily and hourly rates for the four basic levels of hospice care. The Department of Health Care Services (DHCS) authorized new rates effective October 1, 2007. The system was updated with the new rates by December 17, 2007.

No action is required on your part. EDS is adjusting the affected claims. These adjustments appear on *Remittance Advice Details* (RADs) beginning February 21, 2008, with RAD code **885: Annual hospice rate retroadjustment**.

If you disagree with any of these adjustments, you may submit a *Claims Inquiry Form* (CIF) within six months from the RAD date. For CIF completion instructions, please refer to the *CIF Completion* section and *CIF Special Billing Instructions* section 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 then 18.

Sincerely,

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

Nona Carpenter
Provider Relations Director

Reference Number: P8594

EDS
3215 Prospect Park Drive
Rancho Cordova, CA 95670-6017