



HP Enterprise Services
3215 Prospect Park Drive
Rancho Cordova, CA 95670-6017
+1 800.541.5555

July 1, 2010

Dear Provider,

Subject: Retroactive Price Correction and Void of Duplicate Claims

Effective September 22, 2003, for HIPAA, local Place of Service code "91" (subacute care, adult facility) became national Place of Service code "99" (other) with modifier HB (adult program). Similarly, local Place of Service code "96" (subacute care, pediatric) became national Place of Service code "99" (other) with modifier HA (child program). The primary use of these Places of Service is for physician visits to subacute patients (service codes X9900–X9970). However, they may appear on "other" claims.

There were some issues with this conversion.

- Pricing was calculated differently for the different place of service formats (for both X99 claims and "other" claims). Claims were erroneously underpaid.
- Many X99 claims were erroneously denied for place of service, attached report, *Resubmission Turnaround Document* (RTD) or procedure/modifier.
- Duplicate claims were paid due to modifier variations (for both X99 claims and "other" claims).

The system was primarily fixed in December 2005.

No action is required on your part. HP is adjusting, resubmitting, and voiding the claims which were affected through January 2006. For providers with a net increase, these claims will appear on *Remittance Advice Details* (RADs) beginning July 15, 2010. For providers with a net decrease, these claims will appear on RADs beginning July 29, 2010. Adjustments will appear with RAD code **0883: Retroactive price correction**. Resubmits will appear with CCN prefix **018155** or **019555**. Voids will appear with RAD code **0887: Void of duplicate claims**.

The recoveries are authorized under the provisions of 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 the adjustments or 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 *CIF Completion* and *CIF Special Billing Instructions* sections, or the *Appeal Form Completion* 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, select option 11 and then option 18.

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: P1521/P2505