



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

February 4, 2011

Dear Long Term Care (LTC) Provider,

Subject: Claims Reprocessing Retroactive to August 1, 2010

The claims processing system has been updated with new LTC rates retroactive to August 1, 2010. Some rates were increased and some were decreased.

No action is required on your part. HP is adjusting the affected claims. For providers with an overall increase, adjustments will appear on *Remittance Advice Details* (RADs) beginning February 3, 2011, with RAD code **0829: LTC retroactive rate adjustment**. For providers with an overall decrease, adjustments will appear on RADs beginning February 24, 2011.

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 automated Erroneous Payment Claim (EPC) process negatively impacts your facility's cash flow, you may contact DHCS and request other repayment options. 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, 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](http://www.medi-cal.ca.gov)).

If you have questions, please call the Telephone Service Center (TSC) at 1-800-541-5555, option 11 and then option 17.

Sincerely,

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

Nona Carpenter  
Provider Relations Director

Reference Number: P15993