



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

May 5, 2011

Dear Medicare Provider,

Subject: Void and Resubmission of Part-B Crossover Claims

HP Enterprise Services implemented a system change in October 2005 to accept Medicare claims electronically for Part-B services billed to a Part-A Medicare contractor. Prior to this system change, paper submissions were in place that allowed outpatient claims to be billed for services with modifier TC (technical component). Claims were reimbursed with a prorated rate for the technical component while allowing adjudication of the same service code when billed for the professional component as well.

With the onset of the October 2005 system change, claims with technical component services were received electronically without the modifier, since Medicare billing instructions allow billing the same service to Part-A and Part-B Medicare contractors as well.

Medicare services that have a professional and technical billing component result in Medi-Cal payment for only one component, depending on which one was received first. A system error identified the implementation had caused the remaining service component claims to deny erroneously for Remittance Advice Detail (RAD) code: **010: This service is a duplicate of a previously paid claim.**

In some cases the electronic outpatient claims were overpaid with 100% reimbursement instead of a reduced prorated rate for the technical component services billed without the modifier TC.

HP Enterprise Services has identified the processing error that resulted in the overpayment or the erroneous denials of claims billed with same service codes for technical or professional components. The system was fixed in May 2009.

No action is required on your part. HP Enterprise Services will be resubmitting and voiding the affected claims. The voids will appear on RADs beginning May 19, 2011. With RAD code **819: Void and resubmit of claims processed in error.** Resubmits will appear on RADs beginning the week of May 26, 2011 with the following Claim Control Number (CCN) prefixes:

113488	113588	114188	114288
114888	114988	115588	115688
116288	116388	116988	117088



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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.

Providers have three options to offset the negative accounts receivable balance:

- Send a check for the accounts receivable to HP Enterprises Cash Control.
- Do nothing and allow the recovery process to withhold 100 percent of the weekly Medi-Cal check until the balance is paid in full. However, if the balance due is not recovered within 90 days, the account may be subject to collection.
- Make repayment arrangements for a lower withhold percentage rate so that the balance due is recovered within 90 days of the Erroneous Payment Correction (EPC) implementation date. These arrangements can be made through the Telephone Services Center (TSC) at the number below.

If you disagree with any of the 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 *Appeal Form Completion*, *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, select 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: P5260