



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

June 6, 2011

Dear Designated Public Hospital Provider,

Subject: Adjustment of Hospital claims

Due to a system error from the July 2005 system changes, some of the designated public hospital claims were miscategorized for federal reporting. The system was corrected in October 2010. In order to correct the federal report retroactively, it is necessary to adjust the impacted claims that were processed from July 2005 through October 2010. While the impact in terms of dollar amount was very minimal, in few cases a nominal recovery was noted.

No action is required on your part. HP Enterprise Services is adjusting the affected hospital claims for dates of service on or after July 1, 2005 through October 22, 2010. Adjustments will appear on *Remittance Advice Details* (RADs) beginning June 23, 2011, with RAD code **832: Reprocess To Correct Claims History After System Update**.

The recoveries are authorized under the provisions of *Welfare and Institutions* (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 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 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).

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 cursive script that reads "Nona Carpenter".

Nona Carpenter
Provider Relations Director

Reference Number: P15551