



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

June 17, 2011

Dear Pharmacy Provider,

Subject: Adjustment of Claims billed with NDC 49502083005

Effective August 1, 2006, the Department of Health Care Services (DHCS) requested HP Enterprise Services (HP) to zero-price the National Drug Code (NDC) 49502083005, sodium chloride for inhalation 0.9% vial. This product was no longer an approved pharmaceutical product, and was billable as a medical supply with a *Treatment Authorization Request* (TAR). However, the NDC was not end-dated in the Medi-Cal system. Claims were erroneously paid rather than being denied or suspended for review. On February 11, 2011, DHCS changed the policy to allow the NDC to be payable as a medical supply retroactive to September 6, 2006 through October 03, 2011.

No action is required on your part. HP is adjusting affected claims for dates of service from September 06, 2006 through February 11, 2011. Adjustments will appear on *Remittance Advice Details* (RADs) beginning July 14, 2011, with RAD code **0883: Retroactive price correction**.

In general, these adjustments would result in payments; however in some cases payment is recovered from the provider. This is due to reprocessing of these claims as medical supplies with dispensing fees that are payable at prorated rather than fixed rates.

The recoveries are authorized under the provisions of *Welfare & 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 DHCS to enter into repayment agreements with providers or offset overpayments against amounts due. If the total warrant amount is not sufficient to offset 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 at ([www.medi-cal.ca.gov](http://www.medi-cal.ca.gov)).

If you have questions, please call the Telephone Service Center at 1-800-541-5555, option 11 followed by option 17.

Sincerely,

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

Nona Carpenter  
Provider Relations Director

Reference Number: P16172