



HP Enterprise Services
3215 Prospect Park Drive
Rancho Cordova, CA 95670-6017
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August 16, 2011

Dear Durable Medical Equipment Provider,

Subject: Adjustment of Claims for Taxable and Non-Taxable Medical Supplies

Between June 2007 and April 2010, some taxable items were priced without sales tax, and certain non-taxable items were priced with sales tax. In October 2010, claims were reprocessed for these issues. Among the claims, about 4 percent involved system data which incorrectly indicated that sales tax was present when it was not actually included in the price, which erroneously reduced these claims.

No action is required on your part. HP Enterprise Services is reprocessing the affected claims (adjusted erroneously on or after September 30, 2010, through November 11, 2010) in two parts. Part 1 claims were already adjusted during June 2011 and Part 2 will appear on *Remittance Advice Details* (RADs) beginning August 11, 2011, with RAD code **0823: Sales tax adjustment**.

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* section and *CIF Special Billing Instructions* section 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, option 11 and then option 17.

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

Nona Carpenter
Provider Relations Director

Reference Number: P16574 (Part-2)