



A **xerox** Company

California MMIS
ACS, A Xerox Company
820 Stillwater Road
West Sacramento, CA 95605

www.acs-inc.com

April 5, 2012

Dear Long Term Care (LTC) Providers:

Subject: Adjustment of Claims for LTC Rate Changes

The Department of Health Care Services (DHCS) updated the reimbursement rates for various LTC providers effective retroactively to August 1, 2005, August 1, 2006, August 1, 2007 and forward.

No action is required on your part; ACS is adjusting the affected paid claims. Some providers with rate increases will get reimbursed, and for some providers these adjustments will result in recovery of overpayments. Adjustments will appear on Remittance Advice Details (RADs) beginning April 11, 2012 with RAD code **829: LTC Retro Rate Adjustments**.

This recovery is 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 your 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 payments.

If you disagree with any of these adjustments, you may submit a *Claims Inquiry Form (CIF)* within six months of the adjustment 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 option 11, followed by option 18.

Sincerely,

Stephanie Oakes

Stephanie Oakes
Director, Provider Relations
California MMIS
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Reference Numbers: P3608, P3838, P4461