



A **xerox** Company

California MMIS
ACS, A Xerox Company
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May 31, 2012

Subject: FQHC/RHC Prospective Payment Rate Adjustment

Dear Federally Qualified Health Center (FQHC) or Rural Health Clinic (RHC):

Under the Prospective Payment System (PPS), payment rates are frequently updated retroactively. The rates may increase or decrease. Retroactive changes create the need for automatic claim reprocessing, which is done periodically.

This notice is for the current cycle of PPS claim reprocessing. This is a positive adjustment for facilities with rates that increased. If a facility had a rate reduced, the adjustment is negative. These adjustments will appear on Remittance Advice Details (RADs) beginning May 31, 2012, (for positive adjustments) and June 28, 2012, (for negative adjustments) with **RAD code 0882: FQHC/RHC prospective payment adjustment**.

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, 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, which will be 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 instructions, please refer to the *CIF Completion* section of the appropriate Part 2 Medi-Cal provider manual on the Medi-Cal website at (www.medi-cal.ca.gov).

If you have any questions regarding this adjustment, please call the Telephone Service Center (TSC) at 1-800-541-5555, select option 11 followed by option 18.

Sincerely,

Rick McMahan

Rick McMahan
Director, Provider Relations
California MMIS
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Reference Numbers: P3524, P3698