



Tanya E. Schuhmeier
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May 24, 2013

Subject: Adjustment of Claims for LTC Rate Changes – DP Adult Subacute

Dear Long Term Care Providers:

Retroactively for dates of service August 1, 2011, through March 13, 2012, the Department of Health Care Services (DHCS) updated the reimbursement rates for DP Adult Subacute Long Term Care (LTC) providers.

No action is required on your part. Xerox State Healthcare, LLC, (Xerox) will adjust affected paid claims. For most providers, adjustments started to appear on *Remittance Advice Details* (RADs) beginning May 9, 2013, with RAD code **0829: LTC Retro Rate Adjustments**. For providers with significant decreases, adjustments are anticipated to appear on RADs beginning June 6, 2013.

The recoveries are authorized under the provisions of *Welfare and Institutions Code* (W&I Code), Sections 14176 and 14177, and the *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 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 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 regarding these adjustments, please call the Telephone Service Center (TSC) at 1-800-541-5555, option 5, followed by option 6.

Sincerely,

Tanya E. Schuhmeier

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