



**Tanya E. Schuhmeier**  
PRO Director  
Provider Relations  
California MMIS

Xerox State Healthcare, LLC  
820 Stillwater Road  
West Sacramento, CA 95605

[www.xerox.com/govhealthcare](http://www.xerox.com/govhealthcare)

August 26, 2013

**Subject: FQHC/RHC Prospective Payment Rate Adjustment**

Dear Provider:

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 (RAD) beginning August 15, 2013, (for positive adjustments) and September 19, 2013, (for negative adjustments) with RAD code **0882: FQHC/RHC prospective payment adjustment**.

The recoveries are 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 the 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 reimbursements.

If an adjustment is denied or if you disagree with an adjustment, 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 provider manual, or on the Medi-Cal website ([www.medi-cal.ca.gov](http://www.medi-cal.ca.gov)).

If you have questions, please call the Telephone Service Center (TSC) at 1-800-541-5555, option 5, followed by option 6.

Sincerely,

*Tanya E. Schuhmeier*

Tanya E. Schuhmeier  
PRO Director, Provider Relations  
California MMIS  
Xerox State Healthcare, LLC

Reference Number: P14127