



Tanya E. Schuhmeier
Director, Provider Relations
California MMIS

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August 12, 2014

Subject: Adjustments for Retroactive Long Term Care Rate Changes

Dear Provider:

Effective retroactively for dates of service on or after August 1, 2008, the Department of Health Care Services (DHCS) has updated rates for Nursing Facility Level B (NF-B) regular hospice claims for revenue code 658 (room and board).

No action is required on your part. Xerox State Healthcare, LLC (Xerox) will adjust the affected claims filed for dates of service from August 1, 2008. These adjustments will appear on *Remittance Advice Details* (RAD) beginning July 24, 2014 (for positive adjustments), and August 21, 2014 (for negative adjustments), with RAD code **0901: EPC Hospice Retro Rate 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 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 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 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 5.

Sincerely,

Tanya E. Schuhmeier

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