



**Tanya E. Schuhmeier**  
Director, Provider Relations  
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September 25, 2014

**Subject: Adjustment of Erroneously Paid and Denied Claims for HCPCS Code J1050**

Dear Provider:

The Department of Health Care Services (DHCS) identified two claims processing issues for HCPCS code J1050. These issues affected claims billed for dates of service from September 1, 2013, through February 7, 2014. The system was corrected on February 7, 2014.

Some claims billed for HCPCS code J1050 were erroneously denied and some claims were erroneously cutback.

For claims that were erroneously denied, no action is required on your part. Xerox State Healthcare, LLC, (Xerox) will resubmit the erroneously denied claims. These resubmissions will appear on RADs beginning October 2, 2014.

Some claims for HCPCS code J1050 were erroneously cutback with the following RAD codes:

**0401: The payment was adjusted to the maximum allowable or in accordance with comparative pricing methodology (deductibles plus coinsurance are reduced to the Medi-Cal allowed amount less payments from Medicare, OHC [Other Health Coverage] and SOC [Share of Cost]).**

**0414: Payment was reduced by medical review.**

**0435: The quantity billed for procedure exceeds usual practice.**

Xerox will void and resubmit these claims that were erroneously cutback. Voids will appear on RADs beginning October 9, 2014, with RAD code **0819: Void and resubmit of claims processed in error**. Corresponding resubmissions will appear on RADs beginning October 23, 2014.

If you disagree with any of these resubmissions, you may submit a *Claims Inquiry Form* (CIF) within six months of the new RAD date or you may submit an *Appeal Form* within 90 days 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](http://www.medi-cal.ca.gov)). For *Appeal Form* completion instructions please refer to the *Appeal Form Completion* section in the appropriate Part 2 manual or on the Medi-Cal website.



If you have questions regarding these adjustments, please call the Telephone Service Center at 1-800-541-5555, option 5, followed by option 6.

Sincerely,

*Tanya E. Schuhmeier*

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*Director, Provider Relations*  
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Reference Number: P21387