March 26, 2019

Subject: Reprocessing of Erroneously Paid and Denied Claims for Select Laboratory Codes

Dear Provider:

The Department of Health Care Services (DHCS) identified a claims processing issue affecting claims billed with CPT codes and ICD-10-CM diagnosis codes listed under the Medi-Cal provider manual section Pathology: Billing and Modifiers. This issue caused some claims to erroneously pay and other claims to erroneously deny with Remittance Advice Details (RAD) code 0169: This service is not payable when billed with this diagnosis. This issue affected claims for dates of service from October 1, 2015, through March 27, 2018.

No action is required on your part. The California Medicaid Management Information System (MMIS) Fiscal Intermediary, Conduent State Healthcare, LLC, will void erroneously paid claims. These voids will appear on RAD forms beginning April 11, 2019, with RAD code 0821: Void of claim non-payable on date of service. Resubmissions of denied claims will appear on RAD forms beginning March 14, 2019, with Claim Control Number (CCN) prefix 906555.

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 voids or 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). 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 voids or resubmissions, please call the California MMIS Fiscal Intermediary Telephone Service Center at 1-800-541-5555, option 5, followed by option 6 or write to the California MMIS Fiscal Intermediary Correspondence Specialist Unit at P.O. Box 13029, Sacramento, CA 95813-4029.

Sincerely,

Evonne Pelaez

Evonne Pelaez
Director, Provider Relations
Conduent State Healthcare, LLC, on behalf of
California Department of Health Care Services

Reference Number: P45356