June 6, 2019

Subject: Reprocessing of Erroneously Paid and Denied Claims for Laboratory Services

Dear Provider:

The Department of Health Care Services (DHCS) identified a claims processing issue affecting claims billed with CPT and ICD-10-CM diagnosis codes listed in the Pathology: Billing and Modifiers section in the appropriate Part 2 manual. This issue caused some claims to erroneously pay and other claims to erroneously deny with one of the following Remittance Advice Details (RAD) codes:

- **0169**: This service is not payable when billed with this diagnosis.
- **9109**: This service is not payable for the diagnosis billed.
- **9516**: The secondary diagnosis code is missing or invalid for the procedure code.

The issue affected claims for dates of service from October 1, 2015, through July 19, 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 and resubmit erroneously denied claims. These voids will appear on RAD forms beginning June 27, 2019, with RAD code **0821: Void of claim non-payable on date of service**. Resubmissions of denied claims will appear on RAD forms beginning June 13, 2019, with Claim Control Number (CCN) roll number **55 (Resubmit)**. The roll number is the fifth and sixth digits of the CCN. Additionally, some erroneously paid claims will be voided and resubmitted. These voids will appear on RAD forms beginning June 27, 2019, with RAD code **0819: Void and resubmit of claims processed in error**. Corresponding resubmissions will appear on RAD forms beginning July 5, 2019, with CCN roll number **55 (Resubmit)**.

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: P42987