

March 14, 2025

Medi-Cal

Important Provider Notice: #504

Subject: Long Term Care (LTC) Provider Rate Changes – Effective January 1, 2025

The Department of Health Care Services (DHCS) updated provider reimbursement rates for Free Standing Pediatric Subacute (FS/PSA) for dates of service from January 1, 2025 through December 31, 2025. The rate updates are effective for dates of service on or after January 1, 2025, and also affects pricing of hospice claims for revenue code 0658 (room and board) where applicable. Claims submitted to Partnership HealthPlan of California should be billed with the new rate and will be reimbursed accordingly. Claims paid at the interim rate before the update will be adjusted. If the rate is increased, the adjustment is positive. If the rate is reduced, a refund may be required.

Rate Increased – Positive Adjustments

No action is required from the provider. Affected claims will be adjusted by Partnership to pay the new rate and will appear on your remittance advice (RA). If you disagree with the outcome of a rate adjustment made as part of this process, you may follow up with the Claims Department Recovery Unit via email (email listed below) to request a review. Providers will have six months from the date of the RA reflecting the rate adjustment to request review. Requests made beyond the six month timeframe are subject to automatic denial. Please do not submit CIFs requesting the rate adjustment. Partnership will not make rate adjustments through the CIF process.

Rate Reduced – Refund Required

Partnership will notify providers whose claims have been identified as overpaid as a result of a reduced date. Notification will come in the form of a Partnership issued refund request letter, accompanied by a list of affected claims. Providers will have 30 working days from the date of the refund request letter to refund Partnership the total overpayment amount indicated. Providers may also choose to request a repayment arrangement, allowing reimbursement to be made on an incremental basis, over a four to six month period. Repayment arrangement requests should be made via email to the Partnership Claims Department Recovery Unit (email listed below).

State Adjusted Rates

Adjustment requests related to state audit appeals or other state adjusted rate changes are not included in the above described process. Providers must contact the Partnership Claims Department Recovery Unit (email address below) within six months from the date of the state issued letter to request rate updates and claim adjustments. A copy of the dated letter reflecting the updated rate will be required before payment consideration can be made. Requests made beyond the six month timeframe are subject to automatic denial. Please do not submit CIFs to request these rate adjustments.

Claim Corrections and Disputes

Providers wishing to make corrections of any kind to a previously processed claim or submit a claim dispute unrelated to the rate adjustment process described above may do so following Partnership's CIF and Appeal guidelines. Please note, providers have six months from the original paid/denied date of a claim to submit a CIF to Partnership for review. CIFs received after six months are subject to automatic denial.

CIFs and Appeals submitted to Partnership requesting claim corrections of any kind must be submitted with the correct billed amount for the date of service in question, regardless if the claim was previously adjusted for retro rate and/or payment updates.

The complete CIF and Appeal process, including timelines and requirements, can be found in the Partnership Provider Manual sections below.

http://www.partnershiphp.org/Providers/Policies/Documents/Claims/Medi-Cal_Section%203.Subsection%20VIII.pdf

http://www.partnershiphp.org/Providers/Policies/Documents/Claims/Medi-Cal_Section%203.Subsection%20VIII.A.pdf

http://www.partnershiphp.org/Providers/Policies/Documents/Claims/Medi-Cal_Section%203.Subsection%20VIII.B.pdf

For questions regarding retroactive rate updates and related Partnership claim adjustment processes, all LTC providers should contact the Partnership Claims Department Recovery Unit at sr_ltc@partnershiphp.org.

For questions regarding the CIF and Appeal guidelines, please contact Partnership Claims Customer Service Department at (800) 863-4155.