



Santa Clara
Family Health Plan
The Spirit of Care

To: Skilled Nursing Facilities

From: Jennifer Clements, Director, Provider Network Management

Date: November 16, 2016

Subject: **Medicare Sequestration and Medi-Cal AB1629**

Dear SNF Provider,

Santa Clara Family Health Plan (SCFHP) was applying the Medicare sequestration to your Cal MediConnect claims beginning January 1, 2015. SCFHP recently updated our claims payment system so that we are no longer with holding the sequestration as of August 1, 2016. SCFHP is currently analyzing the claims for dates of services beginning January 1, 2015 through July 31, 2016. SCFHP will initiate a project to refund previously withheld money. Facilities do not need to re-submit claims or submit a provider appeal. SCFHP will communicate more information about this project as it becomes available.

In addition, SCFHP received the AB1629 rate update from Department of Health Care Services (DHCS) and is in the process of updating our claims payment system. SCFHP will apply these rate changes in accordance with the DHCS guidelines and adjust claims automatically. Facilities do not need to re-submit claims or submit a provider appeal. Adjustments for increases have already been completed. SCFHP will be contacting those facilities with decreases to discuss the time frame for implementing rate changes and processing adjustments.

We appreciate your patience as we implemented these updates. If you have any questions please contact Provider Services at (408) 874-1788.