



Adjustment of Laboratory Claims for 10% Provider Payment Reductions

On June 27, 2012, CA Governor (Jerry Brown) approved the CA Assembly Bill 1494 (*Chapter 28, Statutes of 2012*). On December 28, 2018, the CA Department of Health Care Services (DHCS) released a Memorandum authorizing DHCS to reduce Medi-Cal provider payments by 10%. The Assembly Bill also authorizes DHCS to retroactively apply the payment reductions for Dates of Service (DOS) from July 1, 2012 through June 1, 2015.

According to DHCS, there is no action required by providers as they plan to recoup the overpayment on future claims by withholding 5% of future weekly check writes until the A/R transaction is satisfied.

To view the Memorandum:

http://files.medi-cal.ca.gov/pubsdoco/epc/2018/26814.03_P33376E.pdf

To view the CA Assembly Bill 1494:

http://www.leginfo.ca.gov/pub/11-12/bill/asm/ab_1451-1500/ab_1494_bill_20120627_chaptered.pdf

APS will continue to monitor and will provide an update as it becomes available. Should you have any questions, please contact your Practice Manager.