



October 21, 2011

CLAIMS PROCESSING FOR DATES OF SERVICE 10/1/11 AND AFTER

Dear Care1st Providers and Office Staff:

We communicated to you on October 3, 2011 that as a result of the request of Center for Medicare and Medicaid Services (CMS) for additional information from AHCCCS related to the October 1, 2011 5% provider rate reductions, Care1st was following the actions taken by AHCCCS and holding Acute and DDD claims for dates of service/dates of admission October 1, 2011 and after (*this included dental claims paid by Bridgeport as well*).

As of today, although CMS continues to review the proposed rate reduction, AHCCCS has confirmed that under federal law, AHCCCS is entitled to and intends to implement the reductions for dates of services after October 1, 2011, even if federal approval occurs at a later date and such approvals are retroactive.

Therefore, Care1st is releasing claims for dates of service October 1, 2011 and after (*this includes dental claims paid by Bridgeport*) beginning with the regular weekly check run the week of October 27, 2011. Claims will be processed at the new rates. If final anticipated approval from CMS for the new fee schedule is not received, adjustments will be completed to correct previously processed claims.

If you have any questions, please contact the Provider Network Operations team at the numbers listed below.