



Special Notice

STATE BOARD
OF EQUALIZATION

450 N STREET
SACRAMENTO, CA 95814

Notice to Pharmacists Medi-Cal Sales Tax Rates

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BOE WEBSITE AND
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www.boe.ca.gov

TAXPAYER INFORMATION
SECTION
800-400-7115
TTY:711

Background

On July 1, 2011, the statewide sales and use tax rate decreased from 8.25 percent to 7.25 percent. In areas with voter-approved district taxes, the tax rate is the statewide base tax rate of 7.25 percent plus any applicable district tax.

Medi-Cal

The sales and use tax table in Medi-Cal adjudication system was updated in September 2011 to reflect this new tax rate. Reimbursement for claims billing taxable Healthcare Common Procedure Coding System (HCPCS) and medical supply codes now reflects the correct sales and use tax.

Claims paid beginning July 1, 2011 at the higher tax rate will be reprocessed by Affiliated Computer System (ACS) to ensure that providers are correctly reimbursed for sales tax. An Erroneous Payment Correction will be initiated to reprocess and collect the additional 1 percent paid to you in error.

No action is required on your part.

For More Information

If you have any questions regarding your Medi-Cal billings and claims, please contact Medi-Cal Provider Service Center at 800-541-5555, Monday through Friday 8:00 a.m. to 5:00 p.m., Pacific time, excluding state holidays or online at www.medi-cal.ca.gov/contact.asp. For the most current information about Medi-Cal billing and claims submission, please refer to the "Medi-Cal Newsroom" area on the Medi-Cal website at www.medi-cal.ca.gov.

If you would like more information regarding the sales and the use tax rate, you may visit the Board of Equalization's website at www.boe.ca.gov, or call the BOE Taxpayer Information Section at 800-400-7115 (TTY:711), Monday through Friday 8:00 a.m. to 5:00 p.m., Pacific time, excluding state holidays. Please note that the Taxpayer Information Section cannot assist callers with questions regarding Medi-Cal.

