

FREQUENTLY ASKED QUESTIONS

Medi-Cal Targeted Provider Rate Increases (TRI)

We have compiled answers to the following list of questions that we anticipate will be asked by our network providers about the Department of Health Care Services (DHCS) Medi-Cal Targeted Provider Rate Increase (TRI).

If you do not find an answer you are seeking, please refer to the contact information at the end of this document.

1. Why are the rates changing?

According to [All Plan Letter \(APL\) 24-007](#), DHCS increased rates for targeted services to “advance access, quality and equity for Medi-Cal members and promote provider participation in the program.”

[APL 25-012](#) revised the parameters of the TRI to include the following:

- Provisions regarding augmented reimbursement rates for comprehensive family planning services enacted through Senate Bill (SB) 94 that supersede APLs 10-003 and 10-014 with retroactive effect for dates of service not included in TRI
- Provisions that apply to out-of-network providers for services, which include, but are not limited to family planning services, sexually transmitted diseases services, human immunodeficiency virus testing and counseling, and minor consent services
- Additional guidance for MCPs, including a reminder to follow the FQHC/RHC Payment Parity Requirement

2. Which types of provider services are eligible for rate increases?

Select procedure codes identified as primary/general care, obstetric, and non-specialty mental health services will be reimbursed at the increased rates. These include:

- Physicians
- Physician Assistants
- Nurse Practitioners
- Podiatrists
- Certified Nurse Midwives
- Licensed Midwives
- Doula Providers
- Psychologists
- Licensed Professional Clinical Counselor
- Licensed Clinical Social Workers
- Licensed Marriage and Family Therapists

Assistant surgeons are not eligible to receive targeted rate increases. Similarly, the TRI Fee Schedule also does not apply to services provided by Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), Indian Health Care Providers, and Cost-Based Reimbursement Clinics. However, [APL 25-012](#) advises that, according to the FQHC/RHC Payment Parity Requirement, FQHCs and RHCs should not be paid less than what the MCP would pay another provider for those same services.

3. Whom should I contact with questions about the Medi-Cal targeted provider rate increases?

We have created a dedicated email inbox for TRI queries at TRIRateInquiries@blueshieldca.com.

Or call Provider Customer Services at **(800) 468-9935** from 6 a.m. to 6:30 p.m., Monday through Friday.

blueshieldca.com/promise

4. Where can I find more information about the targeted rate increases?

We recommend the following external websites:

- [APL 24-007: Targeted Provider Rate Increases](#)
- [APL 25-012: Targeted Provider Rate Increases](#)
- [Medi-Cal Targeted Provider Rate Increases](#)
- [Directed Payments Program](#)
- [SB 94 Family Planning Service Fee Schedule](#)

5. What about Proposition 56 Supplemental Payments? Will my organization still qualify for those? Which Prop 56 payments will be superseded by the TRI?

In general, Proposition 56 Supplemental Payments for the procedure codes affected by the TRI were taken into consideration in the new TRI fee schedule. Therefore, those additional Proposition 56 payments will no longer be necessary.

The procedure codes affected by both the TRI and Proposition 56 include:

90791	99205	99381	99392
90792	99211	99382	99393
90863	99212	99383	99394
99202	99213	99384	99395
99203	99214	99385	
99204	99215	99391	

FOR FEE-FOR-SERVICE (FFS) PAYMENTS

6. When will the new rates take effect for FFS claims?

For providers affected by APL 24-007, the rates were retroactively effective January 1, 2024. Blue Shield Promise started paying most FFS claims at the new TRI rates in October 2024. For providers effected by APL 25-012, we are currently working toward paying their FFS claims, also retroactive from January 1, 2024. We expect to complete those payments by November 17, 2025.

7. How will FFS payments for non-contracted providers be affected by the TRI?

While APL 24-007 applies solely to contracted providers, APL 25-012 advises MCPs to reimburse eligible out-of-network (OON) providers for services including but not limited to family planning services, sexually transmitted disease services, human immunodeficiency virus testing and counseling, and minor consent services at the greater of the legacy fee schedule rate or the new TRI rate, for services rendered on or after January 1, 2024. For prior dates of service, MCPs are advised to reimburse these OON services at the Medi-Cal fee-for-service rate effective for the date of service.

Retroactive and future payments related to SB94 – Family Planning – will be handled in the same manner.

8. How will my contracted FFS rates be affected by the TRI?

For the majority of cases, eligible claims will be paid at the TRI rates, or at your current rate if it is higher than the TRI Fee Schedule.

9. Do these rates apply only to Medi-Cal members, or for dual Medicare/Medi-Cal members as well?

The TRI rates will apply to both regular Medi-Cal members and dual Medicare/Medi-Cal members, but for duals, in most cases the Medicare rates will be applied instead. Medi-Cal will always be the payor of last resort and we will coordinate payments based on the TRI rates as applicable. The TRI rates will only apply to duals in the rare case that Medicare does not cover the service.

10. How were the TRI rates determined for FFS claims?

According to APL 24-007 and APL 25-012, DHCS determined that the baseline for the new rates would be at least 87.5% of Medicare rates for the locality in California. The rates are posted on the Medi-Cal fee schedule.

11. How and when will Blue Shield Promise recoup 2024 Proposition 56 payments that were superseded by the TRI rates?

For recoupments related to APL 24-007, Proposition 56 supplemental payment amounts that were previously paid were subtracted from TRI retroactive payments to FFS providers, to simplify reconciliation. Recoupments related to APL 25-012 will be completed in a similar manner for FFS providers.

12. How will I know if my claim was paid at the TRI rates?

There will be a note on the Explanation of Benefits (EOB) document stating if it was paid at TRI rates.

13. What do I do if I feel my claim was paid incorrectly? (E.g., it should have been paid at the TRI rate.)

After contacting Provider Services to see if the claim can simply be corrected, you can submit a dispute online via Provider Connection or by postal mail. Please refer to the Claim Issues & Disputes page on the Provider Connection website, here:

https://www.blueshieldca.com/bzca/bsc/wcm/connect/provider/provider_content_en/claims/pdr/claim-issues

All disputes will be acknowledged within two (2) working days when submitted online via Provider Connection or within fifteen (15) working days of the Date of Receipt if the provider dispute is submitted by postal mail.

14. What if the rendering provider is not entered on the claim?

If the rendering provider is not entered on the claim, we will check to see if the billing provider is eligible for TRI rates. If we cannot determine eligibility, we will not be able to pay TRI rates.

15. When and how will Blue Shield Promise make retroactive FFS payments for services rendered and paid from January 1, 2024, until the rate change was implemented?

For FFS payments related to APL 24-007, we completed retroactive payments by December 31, 2024. Payments were calculated automatically and made according to our current process.

For FFS payments related to APL 25-012, we expect to complete retroactive payments by November 17, 2025, in a similar manner.

16. How will retroactive payments be calculated?

For eligible claims where the TRI Fee Schedule exceeds the sum total of the provider's contracted rate plus any Proposition 56 supplemental payment due (if applicable), a corrected claim will be automatically processed for the additional amount due. Corrected claim amounts will be calculated based on the TRI Fee Schedule, less the provider's contracted rate and any applicable Proposition 56 payments that were made.

FOR CAPITATED PAYMENTS

17. When will the new rates take effect for IPAs and other capitated providers?

The rates are effective 1/1/2024. Our implementation of the rates will vary by provider, depending on when their contract amendment is finalized.

18. What is the responsibility for organizations with delegated or sub-capitated providers? How should they implement the TRI for downstream providers?

Independent Practice Associations (IPAs) and other provider organizations are required to pay their downstream providers in accordance with the APL requirements. This includes making retroactive payments as needed. Blue Shield Promise will require that such organizations attest to meeting this requirement and will perform review procedures to confirm implementation. Those who do not meet this requirement may be subject to corrective action.

19. How will capitated IPAs and other organizations attest that they are paying TRI rates downstream?

For APL 24-007, we provided an attestation form along with your contract amendment. We will do the same for those affected by APL 25-012. Our Provider Contracting Specialists may reach out to confirm your signed amendment and attestation is received in a timely manner.

20. When and how will Blue Shield Promise make retroactive capitated payments for services rendered and paid from January 1, 2024, until the rate change was implemented?

Blue Shield Promise will continue to work with capitated providers to make retroactive capitated payments as needed, in accordance with agreed upon contract amendments. We will also continue to work with capitated providers to complete the reconciliation and recoupment of redundant Proposition 56 supplemental payments.

21. How are SB 94 rates affected by the TRI?

TRI rates will not affect our capitation rates for services that fall under Senate Bill (SB) 94 rates.

In December 2025, the Blue Shield Promise Actuary and Claims teams deliberated on the necessity of an additional capitation adjustment for the SB 94 fee update, considering its impact on the TRI capitation adjustment. After analyzing the TRI modeling and historical rates, the team determined that no further capitation increases are warranted. Rationales are as follows:

- In 2010, DHCS enhanced the Medi-Cal reimbursement schedule for family planning services using a set of higher rates known as SB 94 rates. Thus, the pre-2024 capitation rates already included both the pre-2024 base rates and the higher SB 94 rates.
- In 2024, SB 94 rates were updated, but remained separate from the TRI program, even though both were referenced in APL 25-012.
- Additionally, DHCS did not provide revenue adjustments to MCPs for SB 94, as there were no changes to the SB 94 program.
- In the 2024 TRI modeling, CY2024 TRI capitation rates modeling approach and data limitations were these:
 - The Blue Shield Promise Actuary team used CY2023 encounter data to develop CY2024 TRI capitation rates.

- TRI Incremental Costs = TRI Rates – Average Medi-Cal FFS Rates based on Procedure Codes, for each encounter transaction
- Average Medi-Cal FFS rates were applied due to (1) the missing data on procedure type codes and (2) large portion of the encounter data showed payment amount of \$0.
- The existing TRI rate modeling embedded an equivalent increase for the portion of SB 94 encounters. Consequently, no further payment increases for SB 94 are necessary.