

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 24-007](#), the Department of Health Care Services increased rates for targeted services to “advance access, quality and equity for Medi-Cal members and promote provider participation in the program.”

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.

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.

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](#)
- [Medi-Cal Targeted Provider Rate Increases](#)
- [Directed Payments Program](#)

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 Which Prop 56 payments will be superseded by the TRI?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?

Blue Shield Promise started paying most FFS claims at the new TRI rates in October 2024.

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

Non-contracted providers are not eligible for the TRI rates. The APL applies solely to contracted providers.

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 the APL, 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?

Any Proposition 56 supplemental payment amounts that were previously paid will be subtracted from TRI retroactive payments, to simplify reconciliation.

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/bsca/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?

The timing of corrected claim payments will vary by provider. We expect to complete retroactive payments by December 31, 2024. Payments will be calculated automatically and made according to our current process.

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.

17. Will providers be paid interest on retroactive payments?

Blue Shield Promise will only pay interest on retroactive payments that are made 45 business days after the required deadline of December 31, 2024.

FOR CAPITATED PAYMENTS

18. 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, but we plan to execute all contract amendments with TRI rates by December 31, 2024, in compliance with the APL.

19. 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 may perform review procedures to confirm implementation.

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

We have provided an attestation form along with your contract amendment. Our Provider Contracting Specialists may reach out to confirm your attestation is received in a timely manner.

21. 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?

Unless agreed to otherwise by the parties, reconciliation and recoupment of Proposition 56 supplemental payments shall be completed by Blue Shield Promise no later than March 31, 2025.

22. How did Blue Shield Promise calculate IPA capitation rates based on the TRI fee schedule?

To determine the new capitation rates for IPAs, we reviewed the encounter data from 2023 and then repriced those encounters according to Medi-Cal fee-for-service (FFS) rates, including the new TRI rates. We noted what our overall 2023 payment would have been had we paid using those FFS rates, subtracted what we actually paid in 2023, divided the result by 12, and then added that amount to the per member per month (PMPM) capitation rate. Annual trend was also incorporated into the rate calculation.

$$\begin{array}{r} \text{(2023 annual payment at TRI rates} \\ \text{- 2023 actual annual payment)} \\ \hline \text{12} \end{array} + \text{2023 PMPM} = \text{2024 PMPM}$$