

**Ensure You're Compliant with DHCS TRI Mandates by Dec. 31, 2024.
Sign and return your *Readiness Attestation* by Oct. 15, 2024.**

Dear Participating Physicians and Other Providers:

Health Net's participating physician groups (PPGs) must fully comply by Dec. 31, 2024, with the Targeted Rate Increase (TRI) requirements as specified in the [Department of Health Care Services \(DHCS\) finalized All Plan Letter \(APL\) 24-007 \(PDF\)](#). The list below is not comprehensive, and you should always follow DHCS requirements. You should be on track to do the following by Dec. 31, 2024, for the two types of providers in your network:

Fee-for-service providers	Capitated providers
For 2024 – Configure your fee-for-service (FFS) claims systems for TRI and correctly adjudicate all 2024 claims that have been received by Dec. 31, 2024.	For 2024 – Configure your capitation payment systems for TRI and issue any necessary TRI add-on payments for 2024 by Dec. 31, 2024.
For 2025 – Configure your FFS claims systems and correctly adjudicate all claims, inclusive of Prop 56 physician services payment.	For 2025 – Configure your capitation payment and correctly issue any necessary TRI add-on payments, inclusive of Prop 56 physician services payment.
Amend any provider agreements as necessary.	Amend any provider agreements as necessary.
Send any necessary communications to your providers and educate them.	Send any necessary communications to your providers and educate them.

If DHCS updates or changes these requirements in the APL at any time, those changes will take precedence over your Plan contract. Compliance with DHCS requirements as outlined in the APL is mandatory and overrides your existing contract terms.

Readiness Attestation

We are asking PPGs to sign the attached [Readiness Attestation \(PDF\)](#) to confirm that you are **on track** to comply with the DHCS mandated TRI requirements by Dec. 31, 2024.

Submit your signed [Readiness Attestation \(PDF\)](#) to your Provider Network Management contact by Oct. 15, 2024.

Contract amendment and attestation requirement (exclusive of the readiness attestation)

You will be receiving an amendment to your contract with your TRI capitation rates from your Provider Network Manager soon. The amended contracts will include language related to compliance with TRI requirements.

Health Net will require PPGs to attest to complying with TRI requirements, including confirmation that rendering providers are paid in accordance with the APL.

Health Net will provide an attestation form to be signed by the PPG's finance executive by Dec. 15, 2024.

The attestation form should be submitted along with the accounting documentation that TRI funds received from the Plan were distributed to PPGs' downstream physicians and other providers and that your PPG is fully compliant with all DHCS APL requirements.

September's capitation payment includes a lump sum TRI payment for your Medi-Cal members

As a one-time measure to enable and support your compliance, we are expediting payments to you for services provided to Health Net's Medi-Cal members for dates of service Jan. 1, 2024, through Sept. 30, 2024, in your September capitation payment. For more information, refer to the letter included with your September capitation report.

If you have questions regarding TRI, refer to our [Targeted Rate Increase For Select Medi-Cal Services](#) dedicated provider landing page or contact the [Provider Relations team](#) via email.

Sincerely,

Paul Pakuckas
Health Plan Development & Contracting Officer

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