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<Date>

<Entity Name>

<First name> <Last name>, <Title> or Administrator

<Address>

<City>, <State> <ZIP>

## **Earn incentives in 2024 when you improve Enhanced Care Management (ECM) outreach and reporting.**

Dear <Title>. <Last Name> or Administrator:

For 2024, Health Net\*, through the ECM Provider Incentive, will continue to recognize and reward ECM physicians and other ECM providers who demonstrate effective and timely outreach, and report regularly on members enrolled in the program and on the completion of member assessments<sup>1</sup>. Also, we are rewarding physicians and other providers for improvement in members' care through metrics focused on referral, quality and decreasing avoidable visits.

### **Payments earned from the ECM Provider Incentive are separate from other contractual arrangements.**

Payments earned from the ECM Provider Incentive are not tied to:

- Any direct *Provider Participation Agreement (PPA)* with Health Net, or
- Your agreement as a subcontractor with a participating physician group (PPG) or medical group.

The ECM Provider Incentive will continue to align with state requirements around the ECM benefit and program. The program will incentivize based on year-over-year improvement in outreach to, and management of, ECM-eligible members and not individual services rendered.

Health Net is offering the incentives as add-on payments to Health Net's Medi-Cal ECM physicians and its other ECM providers who meet the participation rules beginning on page 3.

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### Questions?

If you have questions about the program, please contact your assigned Health Net representative or call Provider Services at 800-675-6110.

Sincerely,

Martha Santana-Chin  
Medicare and Medi-Cal President

<sup>1</sup>The incentive program conditions and data requirements are subject to change at Health Net's discretion as the ECM benefit and program matures.

**Are you eligible?**

To be eligible for the ECM Provider Incentive, an ECM physician or other ECM provider must:

- Be in good standing with Health Net.
- Be contracted directly with Health Net as an ECM participating provider.
- Be open to accept and have the capacity to serve new Health Net Medi-Cal enrollees eligible for ECM services.

**Incentive administration**

- All incentives will be for calendar year 2024 regardless of when each physician or other provider is contracted.
- Health Net will make payments by July 1, 2025.
- All payouts will be paid as a per member per month (PMPM) for all ECM-enrolled member months.
- ECM physicians and other ECM providers will receive a mid-year interim report on their performance during the third quarter of the calendar year.

**Incentive measures (all rates are PMPM)**

**1. Outreach reporting within the first 90 days**

ECM physician-conducted and other ECM provider-conducted outreach to every assigned member as documented on the required Outreach Tracker File monthly report. Monthly report demonstrates that the ECM provider conducted minimum of 1 outreach within 90 days of assignment and includes all required data elements including the type and duration of each outreach attempt.

| Measure                                     | Data source           | Calculation              |         |
|---|-----------------------|--------------------------|---------|
|   |                       | Outcome                  | Rate    |
| Outreach reporting within the first 90 days | Outreach Tracker File | 100% compliance          | \$10.00 |
|   |                       | 75%-99% compliance       | \$5.00  |
|   |                       | Less than 75% compliance | -       |

**2. Enrollment effectiveness**

ECM physician or other ECM provider provides Return Transmission File (RTF) report documenting status as enroll with enrollment date. The percentage of assigned members enrolled in ECM.

| Measure                  | Data source              | Calculation              |         |
|--------------------------|--------------------------|--------------------------|---------|
|                          |                          | Outcome                  | Rate    |
| Enrollment effectiveness | Return Transmission File | More than 30% enrollment | \$10.00 |
|                          |                          | 25%-30% enrollment       | \$5.00  |
|                          |                          | Less than 25% enrollment | -       |

**3. Completion of the Capacity Report**

ECM physicians and other ECM providers complete and return the quarterly ECM capacity reports.

| Measure   | Data source          | Calculation              |         |
|---|----------------------|--------------------------|---------|
|   |                      | Outcome                  | Rate    |
| Timely and accurate completion of the ECM Capacity report | ECM Capacity Tracker | 100% compliance          | \$10.00 |
|   |                      | 90%-100% compliance      | \$5.00  |
|   |                      | Less than 90% compliance | -       |

**4. Referral to Community Supports for member with needs**

ECM physicians and other ECM providers assess member needs and refer to Community Supports.

| Measure   | Data source | Calculation                     |         |
|---|-------------|---------------------------------|---------|
|   |             | Outcome                         | Rate    |
| Percent of ECM enrolled members referred to Community Supports through findhelp | findhelp    | 15% of total enrolled           | \$10.00 |
|   |             | 10%-15% of total enrolled       | \$5.00  |
|   |             | Less than 10% of total enrolled | -       |

**5. HEDIS® performance of ECM enrolled members**

ECM physicians and other ECM providers should ensure members are completing their visits to improve their quality of care.

| Measure   | Data source   | Calculation              |         |
|---|---------------|--------------------------|---------|
|   |               | Outcome                  | Rate    |
| Show year-over-year improvement for enrolled ECM members for Comprehensive Diabetes Care – HbA1c Control ( $\leq 9$ ) | HEDIS quality | 2% improvement           | \$10.00 |
|   |               | 1%-2% improvement        | \$5.00  |
|   |               | Less than 1% improvement | -       |

**6. HEDIS performance of ECM enrolled members**

ECM physicians and other ECM providers should ensure members are completing their visits to improve their quality of care.

| Measure                                      | Data source   | Calculation       |         |
|--|---------------|-------------------|---------|
|  |               | Outcome           | Rate    |
| Show year-over-year improvement for enrolled | HEDIS quality | 2% improvement    | \$10.00 |
|  |               | 1%-2% improvement | \$5.00  |

|   |  |                          |   |
|---|--|--------------------------|---|
| ECM members for controlling high blood pressure |  | Less than 1% improvement | - |
|---|--|--------------------------|---|

**7. Reduction in avoidable emergency room (ER) visits**

ECM physicians and other ECM providers should coordinate members access to non-emergency care and reduce avoidable ER visits.

| Measure  | Data source | Calculation           |         |
|--|-------------|-----------------------|---------|
|  |             | Outcome               | Rate    |
| Show year-over-year decrease in avoidable ER visits <sup>1</sup> | Claims data | 10% decrease          | \$10.00 |
|  |             | 5%-10% decrease       | \$5.00  |
|  |             | Less than 5% decrease | -       |

**8. Scheduling follow up visits seven days post hospital discharge**

ECM physician or other ECM provider will support care coordination to ensure members are scheduled for ambulatory visit as follow up within seven days post hospital discharge.

| Measure  | Data source       | Calculation              |         |
|--|-------------------|--------------------------|---------|
|  |                   | Outcome                  | Rate    |
| % of members with ambulatory visit seven days post hospital discharge <sup>1</sup> | Claims/encounters | 40% compliance           | \$10.00 |
|  |                   | 38%-39% compliance       | \$5.00  |
|  |                   | Less than 38% compliance | -       |

**9. Community referrals for ECM or Community Supports (CS)<sup>2</sup>**

The ECM physician or other ECM provider should increase the number referrals that are community/self-generated to enrolled into their ECM program or refer out to CS.

| Measure   | Data source                       | Calculation           |         |
|---|-----------------------------------|-----------------------|---------|
|   |                                   | Outcome               | Rate    |
| % of members with ECM and CS referrals from the community | Authorizations/referrals/findhelp | 14% increase          | \$10.00 |
|   |                                   | 9%-14% increase       | \$5.00  |
|   |                                   | Less than 9% increase | -       |

<sup>1</sup> Minimum of 600 member months to qualify for this measure.

<sup>2</sup> This measure will be added after July 1, 2024, following review of 1/1/2024 - 6/30/2024 performance.