

Molina Healthcare of California Target Rate Increase (TRI) Frequently Asked Questions (FAQ)

Target Rate Increase Information

1. What is Target Rate Increase

TRI is an initiative by the Department of Health Care Services (DHCS) to raise the reimbursement rates for Medi-Cal providers offering primary care, obstetric, and non-specialty mental health services.

2. Why is DHCS implementing this rate increase?

DHCS is implementing this rate increase to ensure that Medi-Cal reimbursement rates for targeted services are competitive and aligned with the Medicare rates, thereby improving access to quality care for Medi-Cal beneficiaries.

3. When will the Target Rate Increase take effect?

TRI increases are effective for dates of service on or after January 1, 2024.

4. What are the new rates?

DHCS is increasing Medi-Cal rates for targeted services to at least 87.5% of the Medicare rate. DHCS will determine an equivalent rate increase for Medi-Cal services without a corresponding Medicare rate.

5. Do these rate increases apply to both Fee-For-Service and managed care plans?

The increased rates apply to eligible providers in both the Fee-For-Service delivery system and those contracted with Medi-Cal managed care plans.

6. How are Providers considered eligible for Target Rate Increase reimbursement?

If they are within the:

- Fee-for-service delivery system
- Medi-Cal network
- Provider categories below:
 - Physicians
 - Physician Assistants
 - Nurse Practitioners
 - Podiatrists
 - Certified Nurse Midwives
 - Licensed Midwives

- Doula Providers
- Psychologists
- Licensed Professional Clinical Counselor
- Licensed Clinical Social Workers
- Marriage and Family Therapists

7. Which providers are considered ineligible for Target Rate Increase reimbursement?

Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), Indian Health Care Providers (IHCPs), and Cost-Based Reimbursement Clinics.

8. What if Providers do not meet eligibility requirements?

Providers who do not meet eligibility requirements will be reimbursed at the existing Medi-Cal rate.

9. How are the procedure codes and eligible services determined?

DHCS developed the code list through:

- Review of existing Medi-Cal policies and procedures
- Analysis of current utilization data by provider taxonomy
- Literature review
- Consultation with DHCS's staff medical consultants and technical experts

10. What should providers do to ensure they receive the new Target Rate Increase?

Providers should ensure they are using the correct procedure codes and that they bill using the appropriate claim form.

11. Can the list of services and rates change in the future?

DHCS reserves the right to modify the list of services and rates to account for changes in coding and billing definitions, apply technical corrections or updates, and maintain necessary federal approvals.

Provider Resources

1. Who can I contact for more information about these changes?

For more information on the 2024 TRI, please refer to the DHCS Medi-Cal TRI and Investments webpage at dhcs.ca.gov/Pages/Medi-Cal-Targeted-Provider-Rate-Increases.aspx

2. Where can Providers submit questions or comments?

Providers can submit their questions or comments to the TRI email box at TargetedRateIncreases@dhcs.ca.gov

3. Where can I find a comprehensive list of the impacted CPT codes due to the Target Rate Increase?

For a comprehensive list of impacted CPT codes, please refer to the DHCS TRI Fee Schedule available at dhcs.ca.gov/Documents/Medi-Cal-TRI-Fee-Schedule-CY-1062024.xlsx