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Reminder of Supplemental Capitation Payment

Dear providers,

This is your biannual reminder that as of 1/1/2024, Proposition 56 add-on payments have been terminated and replaced by the Targeted Rate Increases (TRI) and HPSM's Supplemental Capitation Payment.

We sent a notification early this year regarding TRI for some provider types. You can read the notification here: <https://www.hpsm.org/docs/default-source/provider-notices/20240207---targeted-provider-rate-increases-in-2024.pdf>

As detailed in that notification, TRI are replacing the directed Proposition 56 Payments for Physician Services per Department of Health Care Services (DHCS) policy. Prior to 2024, HPSM's capitated network, excluding Federally Qualified Health Centers (FQHCs), received a supplemental Proposition 56 payment distributed monthly separate from our weekly check distribution. Effective January 1, 2024, all capitated primary care providers, including FQHCs, are now eligible for the separate supplemental payment on capitated services (equal to former Proposition 56 payments for Physician Services).

This notification is to inform you that these payments will continue to be distributed in the same manner and amount over 2024 ensuring there will not be any reductions in payment.

On a monthly basis, HPSM will identify capitated encounters processed the previous month that meet the requirements for what was previously Proposition 56 Physician Services. Payment will be issued using the Proposition 56 amount on its own remittance.

Eligible Codes and Rates Table:

CPT Code	Supplemental Amount
90791	\$35.00
90792	\$35.00
90863	\$5.00
99201	\$18.00
99202	\$35.00

99203	\$43.00
99204	\$83.00
99205	\$107.00
99211	\$10.00
99212	\$23.00
99213	\$44.00
99214	\$62.00
99215	\$76.00
99381	\$77.00
99382	\$80.00
99383	\$77.00
99384	\$83.00
99385	\$30.00
99391	\$75.00
99392	\$79.00
99393	\$72.00
99394	\$72.00
99395	\$27.00

Requirements for receiving 2024 Supplemental Payments:

- Members are eligible for the service.
- Members do not have Medicare Part B coverage on the date of service.
- Claims must have clean encounter data for a capitated visit submitted for one of the codes above.

For information on Prop 56 payments please visit <https://www.dhcs.ca.gov/provgovpart/Prop-56/Pages/default.aspx>.

Please direct questions to HPSM Provider Services at PSInquiries@hpsm.org.

Thank you,
The Health Plan of San Mateo