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Notification: HPSM Specialty Incentives Not Applicable to Medications

Date: December 13, 2018

To: HPSM Contracted Providers

Dear Provider,

HPSM currently offers an incentive program that increases Medi-Cal allowable rates to 175% for certain Medi-Cal specialty services. Contracted Medi-Cal, HealthWorx, Healthy Kids, and CareAdvantage providers are eligible. The increase applies to claims paid for dates of service from July 1, 2016 to June 30, 2020, and in order to qualify claims must be submitted with the appropriate taxonomy code and qualifier code (ZZ or PXC).

This program was launched to improve member access to specialty care and incentivize the submission of utilization and payment data to HPSM. The increase was intended to apply to specialty services, and not intended to apply to the cost of medications. HPSM recently identified that injectable drugs, when billed with a specialty taxonomy code from the incentive program list, were receiving payments at 175% of Medi-Cal allowable rates. These payments were made in error.

What action is needed from me?

No action is needed. HPSM will **not** be pursuing recovery of these payments. Effective 1/1/2019, HPSM will reimburse for these items at our standard rates.

Who should I contact if I have additional questions?

If you have questions about specific claims, please contact HPSM's Claims Department at 650-616-2056. For questions about our Specialists Incentive Program, please contact the Provider Services Department at 650-616-2106 or visit:

<https://www.hpsm.org/provider/resources/specialists-incentive>