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June 16, 2025

Behavioral Health Network Rate Increases Effective 7/1/2025

Dear provider,

Starting July 1st, 2025, HPSM will be increasing its standard network rates for behavioral health providers contracted with HPSM through the Medi-Cal, CareAdvantage and HealthWorx lines of business. Eligible providers must be contracted with HPSM billing under provider type “Behavioral Health”, or contracted providers billing with a MH (“Mental Health”) taxonomy.

Last year, the Health Plan of San Mateo’s (HPSM’s) Commission approved specific investments to address critical access gaps and support our providers through rate increases. As part of HPSM’s five-year strategic plan, the health plan remains firmly committed to improving health outcomes, access and experience, and equity for members. Even (and perhaps especially) during times of uncertainty regarding the future for Medi-Cal, HPSM recognizes how critical it is to thoughtfully invest in the long-term sustainability of the provider network.

MH providers are now paid at 105% of Medicare (increased from 100% of Medicare): The 2% sequestration is no longer applied to Medi-Cal or HealthWorx. Additionally, HPSM has not adopted the Medicare licensure differential resulting in an additional increase over Medicare for marriage and family therapists, mental health counselors, nurse practitioners, and physician assistants. These new rates replace the Proposition 56 add on for “Physician Services”, including evaluation and management codes and Psychology Diagnostic Evaluation (CPT 90791), terminated by DHCS effective 12/31/23.

For detailed rate information please visit: <https://www.cms.gov/medicare/physician-fee-schedule/search/overview>

You can read more about the context behind these investments and HPSM's Strategic Plan, online here: <https://www.hpsm.org/about-us/mission/our-strategic-plan>

Please direct questions about these specific rate increases to HPSM's Provider Services team at PSInquiries@hpsm.org.

Thank you,
The Health Plan of San Mateo