Health Net of California, Inc.
Health Net Community Solutions, Inc.
Health Net Life Insurance Company
21281 Burbank Boulevard
Woodland Hills, California 91367-4975

Mailing Address: Post Office Box 9103
Van Nuys, California 91409-9103
healthnet.com

<Date>

<Entity Name>
<First name> <Last name>, <Title> or Administrator
<Address>
<City>, <State> <ZIP>

Earn 2026 Incentives for Enhanced Care Management enrollment and performance.

Health Net* will continue supporting providers who deliver high-quality Enhanced Care Management (ECM) services.

In 2026, we will offer incentive payments to recognize providers who excel in:
- Member enrollment into ECM.
- Utilization of ECM services.
- Connecting members to comprehensive health and social supports.
- Driving referrals from the community into ECM and Community Supports.

These incentives are designed to reward best-in-class performance across key indicators that improve member outcomes.

Important details
- Incentive payments are separate from any direct *Provider Participation Agreement* with Health Net or subcontractor arrangements with participating physician groups or medical groups.
- The ECM Provider Incentive aligns with California's requirements for the ECM benefit and program.
- Incentives will be offered as add-on payments to Health Net's Medi-Cal ECM providers who meet the participation rules beginning on page 3.

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

Sincerely,

Dorothy Seleski
Medi-Cal President

Are you eligible?

To be eligible for the ECM Provider Incentive, an 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 Medi-Cal enrollees eligible for ECM services.

Incentive administration

- All incentives will be for the calendar year 2026 regardless of when each provider is contracted.
- Payment will be issued by August 2027.
- All payouts will be paid as a 'per member per month' (PMPM) for all ECM-enrolled member months.
- 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. **Enrollment effectiveness**

   ECM provider submits timely Return Transmission File (RTF) that documents the enrollment date and Status of Member Engagement for all active members on the Member Information File (MIF).

Measure	Data Source	Calculation	
		Outcome	**Rate**
Percent of total members (assigned/ referred from the community) that enroll in ECM services.	Return Transmission File	More than 30% enrollment	$15.00
		25%–30% enrollment	$7.50
		Less than 25% enrollment	0

2. **Referral to Community Supports (CS)**

   ECM providers assess member needs and refer them to Community Supports. Using Findhelp is recommended for submitting CS referrals.

Measure	Data Source	Calculation	
		Outcome	**Rate**
Percent of ECM enrolled members referred to at least one Community Supports service.	Findhelp/Other sources	15% of total enrolled	$15.00
		10%–15% of total enrolled	$7.50
		Less than 10% of total enrolled	0

3. **Provision of in-person services**

   ECM providers should encourage enrolled members to participate in at least one in-person ECM service per month to improve their quality of care.

Measure	Data Source	Calculation	
		Outcome	**Rate**
Percent of ECM enrolled members with at least one in-person service for each enrolled month	Return Transmission File and Claims	More than 80% of enrolled members	$15.00
		50% to 80% of enrolled members	$7.50
		Less than 50% of enrolled members	0

4. Reduction in avoidable emergency room (ER) visits

ECM providers should coordinate members access to non-emergency care and provide health education to reduce avoidable ER visits.

Measure	Data Source	Calculation	
		Outcome	**Rate**
Show year-over-year decrease in avoidable ER visits[1]	Claims data	10% decrease	$15.00
		5%–10% decrease	$7.50
		Less than 5% decrease	0

5. Follow-up visits with provider within seven days of discharge from hospital

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

Measure	Data Source	Calculation	
		Outcome	**Rate**
Percent of members with ambulatory visit seven days post hospital discharge[1]	Claims/ encounters	40% compliance	$15.00
		38%–39% compliance	$7.50
		Less than 38% compliance	0

6. Community referrals for ECM

The ECM provider should focus on referral pathways from the community to increase enrollment in ECM services and reduce reliance on the Member Information File (MIF).

Measure	Data Source	Calculation	
		Outcome	**Rate**
Percent of members with ECM from the community	Authorizations/ referrals/Findhelp	More than 50% of enrolled	$15.00
		30% to 50% of enrolled	$7.50
		Less than 50% of enrolled	0

[1]Minimum of 600 member months to qualify for this measure.