



## Reimbursement Mechanisms Supplemental to PPS

This document outlines the known information about the universe of reimbursement mechanisms that are paid supplemental to the Prospective Payment System (PPS). Please direct questions or comments to [training@cpcpa.org](mailto:training@cpcpa.org).  
Updated: 5/2/2025

Service	Reimbursement	How are costs treated in rate setting?	Authority	Notes
Pharmacy	Option keep in PPS or carve out at FFS rate	Carved out or PPS	WIC	
CHW Pharmacy	Supplemental to PPS, FFS rate	Carved out	<a href="#">SPA 24-0037</a> CPL # TBD	Only applicable to FQHCs with carved out pharmacies.
Drug Medi-Cal	Supplemental payment per county/state contract	Carved out	WIC	
Specialty Mental Health Services	Supplemental payment per county contract	Carved out	WIC	
Enhanced Care Management	Supplemental to PPS, MCP-negotiated rate	Not specified; A&I has historically attempted to carve out	<a href="#">CalAIM ECM and CS FAQ</a> from August 2022, Question 62	
Community Supports	Supplemental to PPS, MCP-negotiated rate	Not specified; no communication from A&I or clinics	<a href="#">CalAIM ECM and CS FAQ</a> from August 2022, Question 62	
Justice Involved Pre-Release	Supplemental to PPS, FFS	Carved out	<a href="#">CalAIM JI Policy and Operations Guidance</a>	<a href="#">Provider bulletin published 5/2/25</a> : Hold all claims until further notice.

CalAIM Dental Initiative – P4P Preventative Services	Supplemental to PPS, incentive payment methodology	In rates	<a href="#">SPA 21-0019</a>	Monthly lump sum based on previous month’s claims. See SPA for detailed algorithm.
ACEs Screening	Supplemental to PPS at FFS rate	In rates	<a href="#">SPA 21-0045</a>	Prop 56 funding  FFS Rate*: \$29, frequency limits apply
Developmental Screening	Supplemental to PPS at FFS rate	In rates	<a href="#">SPA 21-0045</a>	Prop 56 funding  FFS Rate*: \$54.90, periodicity limits apply
Certified Wellness Coach	Supplemental to PPS at FFS rate	In rates; revenue carved out	<a href="#">Pending SPA 25-0014</a> And <a href="#">25-0014 Addendum</a>	Pending CMS Review
Same day dyadic	Supplemental to PPS at FFS rate (including services provided to non-Medi-Cal parent/caregiver)  Non-same day dyadic is PPS.	In rates; revenue carved out	<a href="#">SPA 23-0010</a>  <a href="#">Dyadic Services Manual</a>	FFS Rate*: multiple dyadic codes applicable ranging from \$20.11-\$116.39. Reimbursement for dyadic services stacked. Frequency limits apply.
Non-Hospital 340B Supplemental Payment Program	Supplemental per-encounter add on	In rates	Pending <a href="#">SPA 23-0031</a> (July 2023 – June 2024)  Pending <a href="#">SPA 24-0045</a> (July – December 2024)	Ended 12/31/24. Reconciliation process to occur upon SPA approval.
Community Clinic Directed Payment  (e.g. Non-Hospital 340B Directed Payment)	Directed payment based on the following formula: 90% Supplemental per-qualifying encounter add on + 10% value measure	In rates	Budget negotiation between clinics and DHCS to mitigate the loss of 340B revenue when the state transitioned to Medi-Cal Rx.  Pre-print in review with CMS.	Beginning 1/1/25; payments not active until CMS approval.

Equity and Practice Transformation Provider Directed Payment	Directed payment to clinics based on maximum payment formula and <a href="#">Milestone achievement</a>	In rates	California state budget 2024-2025	Practices selected by application only, one time application process.
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Footnotes:

\*Medi-Cal rates are found here: <https://mcweb.apps.prd.cammis.medi-cal.ca.gov/rates?tab=rates>. Medi-Cal Rates are updated and effective on the 15<sup>th</sup> of the month.