

**November 13, 2025**

**Medi-Cal**

**Important Provider Notice: #527**

**Subject: Long Term Care (LTC) Provider Rate Changes - Effective January 1, 2026**

The Department of Health Care Services (DHCS) updated provider reimbursement rates for Freestanding Subacute (FS/SA) facilities for dates of service from January 1, 2026 through December 31, 2026. The rate updates are effective for dates of service on or after January 1, 2026, and affect pricing of hospice claims for revenue code 0658 (room and board) where applicable. Claims submitted to Partnership HealthPlan of California should be billed with the new rate and will be reimbursed accordingly. Claims paid at the interim rate prior to the update will be adjusted. If the rate was increased, the adjustment is positive. If the rate was reduced, a refund may be required.

**Rate Increased – Positive Adjustments**

No action is required from the provider. Affected claims will be adjusted by Partnership to pay the new rate and will appear on your remittance advice (RA). If you disagree with the outcome of a rate adjustment made as part of this process, you may follow up with the Claims Department Recovery Unit via email (email listed below) to request a review. Providers will have one year (365 days) from the date of the RA reflecting the rate adjustment to request review. Requests made beyond the one-year timeframe are subject to automatic denial. Please do not submit PDRs requesting the rate adjustment. Partnership will not make rate adjustments through the PDR process.

**Rate Reduced – Refund Required**

Partnership will notify providers whose claims have been identified as overpaid as a result of a reduced date. Notification will come in the form of a Partnership-issued refund request letter, accompanied by a list of affected claims. Providers will have 30 working days from the date of the refund request letter to refund Partnership the total overpayment amount indicated. Providers may also choose to request a repayment arrangement, allowing reimbursement to be made on an incremental basis, over a four- to six- month period. Repayment arrangement requests should be made via email to the Partnership Claims Department Recovery Unit (email listed on page 2).

### **State Adjusted Rates**

Adjustment requests related to state audit appeals or other state adjusted rate changes are not included in the above-described process. Providers must contact the Partnership Claims Department Recovery Unit (email address below) within one year from the date of the state-issued letter to request rate updates and claim adjustments. A copy of the dated letter reflecting the updated rate will be required before payment consideration can be made. Requests made beyond the one-year timeframe are subject to automatic denial. Please do not submit PDRs to request these rate adjustments.

### **Claim Corrections and Disputes**

Providers wishing to make corrections of any kind to a previously processed claim or submit a claim dispute unrelated to the rate adjustment process described above may do so following Partnership's Provider Dispute Resolution (PDR) guidelines. Please note, providers have one year from the original paid/denied date of a claim to submit a PDR to Partnership for review. PDRs received after one year are subject to automatic denial.

**Provider dispute resolutions (PDRs) submitted to Partnership requesting claim corrections of any kind must be submitted with the correct billed amount for the date of service in question, regardless of whether the claim was previously adjusted for retro rate and/or payment updates.**

The complete PDR process, including timelines and requirements, can be found in the Partnership provider manual below:

[Provider Manual: Medi-Cal](#)

For questions regarding retroactive rate updates and related Partnership claim adjustment processes, all LTC providers should contact the Partnership Claims Department Recovery Unit at [sr\\_ltc@partnershiphp.org](mailto:sr_ltc@partnershiphp.org).

**For questions regarding the PDR guidelines, please contact Partnership Claims Customer Service Department at (800) 863-4155.**