



## December 2025

Dear Valued Provider Partner:

CenCal Health is appreciative of our ongoing partnership and quality care that you provide for our members. As we approach the New Year, we'd like to bring to your attention an important request.

We have recently become aware of the implications of a new *Federal requirement*<sup>1</sup> that could impact our two incentive programs, the Quality Care Incentive Program (QCIP) and Hospital Readmission Avoidance Incentive Program (HRAIP), not only for CenCal Health but for the providers who rely on these programs to support and enhance quality care. These incentive dollars—reinvested each year into our local healthcare system—directly strengthen and support the care that our members receive. *CenCal Health has completed a comprehensive evaluation of this Federal requirement and identified the appropriate next steps to ensure continued funding.*

Beginning with the 2026 incentive year, Federal rules now mandate that CenCal Health execute specific amendments with every provider organization participating in QCIP or HRAIP. The Department of Health Care Services recently reinforced this requirement with CenCal Health. To comply, a signed amendment must be received from all participants no later than December 31, 2025. Compliance with the execution of this agreement ensures continued funding.

We have prepared a simple amendment for your signature. Please return the signed amendment to CenCal Health by **December 31, 2025**, so we can preserve these critical quality dollars for our community. Note that due to Federal timelines, we are unable to accept revisions to the enclosed document.

For your convenience, a postage-paid return envelope is included. You may also return the signed amendment by email to [psrgroup@cencalhealth.org](mailto:psrgroup@cencalhealth.org) or by fax at (805) 681-3019.

Our team is here to support you through this process. If you have questions, please contact Cathy Slaughter, Provider Relations Director, at [cslaughter@cencalhealth.org](mailto:cslaughter@cencalhealth.org). Thank you for your ongoing commitment to our community, and for partnering with us to safeguard vital Medi-Cal quality funding for the Central Coast.

In Partnership,

A handwritten signature in blue ink that reads "Marina A. Owen".

Marina Owen  
Chief Executive Officer

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<sup>1</sup> 42 CFR 438.3(i)