

Provider Bulletin

Molina Healthcare of California

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May 12, 2026

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Quality Measures for Encounter Data Update: Quality Measures for Encounter Data 2.0 – APL 26-003

This is an advisory notification to Molina Healthcare of California (MHC) network providers applicable to the Medi-Cal line of business.

This notification is based on [All-Plan Letter \(APL\) 26-003](#), which can be found in full on the [Department of Health Care Services \(DHCS\) website](#).

What you need to know:

BACKGROUND

The purpose of this APL is to provide an update to the DHCS Quality Measures for Encounter Data (QMED) requirements. This APL supersedes APL 14-020.

POLICY

For encounters submitted on or after January 1, 2026, the Department of Health Care Services (DHCS) will conduct quarterly reviews of encounter data quality and assign a Pass/Fail rating based on QMED 2.0 requirements.

DHCS will begin publicly posting quarterly QMED 2.0 report cards no earlier than April 1, 2026. Enforcement actions related to QMED 2.0 will be imposed to Molina and its subcontractors which may include corrective actions and financial sanctions for non-compliance, beginning July 1, 2027, in alignment with APL 25-007.

Encounter data quality will be evaluated quarterly using the following standards:

- **Lag Time Requirement:** Encounters must be submitted within 120 days of the date of service.
- **Scoring Methodology:** Overall performance will be assessed as Pass or Fail each quarter.
- **Public Reporting:** Report cards will be publicly available no sooner than April 1, 2026.
- **Enforcement Timeline:** Monetary and other enforcement actions will begin July 1, 2027.

QMED 2.0 Performance Thresholds (Fail Criteria):

- Duplicate encounters exceed 0.5%
- 837I encounter service lines with duplicate service lines exceed 5%
- 837P encounter service lines with duplicate service lines exceed 0.5%
- Encounter service lines with a Type 1 rendering provider fall below 90%
- Corrected denied encounters fall below 99.5%
- Total denied encounters exceed 2%
- Denied encounters corrected within 15 days fall below 97.5%
- Encounters submitted within 120 days of service fall below 90%

Provider Action

Please review the [Quality Measures for Encounter Data – Version 2.0](#) and ensure encounter data submissions to Molina comply per our contract agreement and for the plan to meet the performance threshold requirements.

What if you need assistance?

If you have any questions regarding the notification, please contact your [Molina Provider Relations Representative](#).

