



DATE: May 19, 2026

Behavioral Health Information Notice No: 26-021

TO: California Alliance of Child and Family Services  
California Association for Alcohol/Drug Educators  
California Association of Alcohol & Drug Program Executives, Inc.  
California Association of DUI Treatment Programs  
California Association of Social Rehabilitation Agencies  
California Consortium of Addiction Programs and Professionals  
California Behavioral Health Association  
California Hospital Association  
California Opioid Maintenance Providers  
California State Association of Counties  
Coalition of Alcohol and Drug Associations  
County Behavioral Health Directors  
County Behavioral Health Directors Association of California  
County Drug & Alcohol Administrators

SUBJECT: Regional Average Rates for Non-Contract Psychiatric Inpatient Hospitals for Fiscal Year (FY) 2025-26

PURPOSE: This notice provides annual rate information for Psychiatric Inpatient Hospitals which do not have negotiated rates with a Mental Health Plan.

REFERENCE: California Code of Regulations Title 9, Section 1820.115

BACKGROUND:  
The Department of Health Care Services is responsible for annually updating regional rates for Fee-for-Service/Medi-Cal hospitals which do not have an existing contract with



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a Mental Health Plan. This Information Notice provides the methodology for determining the rates and an enclosure with the FY 2025-26 regional rates.

**POLICY:**

Per California Code of Regulations Title 9, Section 1820.115, the Department of Health Care Services shall determine the reimbursement rates for acute psychiatric inpatient hospital services for each Fee-for-Service/Medi-Cal hospital which does not have an existing contract with any Mental Health Plan.

The per diem rate by accommodation code shall equal the weighted average rate negotiated for all Fee-for-Service/Medi-Cal hospitals within the five Rate Regions. If there are no hospitals with negotiated rates within the Rate Region, the weighted average negotiated rate for all Fee-for-Service/Medi-Cal hospitals statewide are used.

**Regional rates for FY 25-26 are effective July 1, 2025.** Following installation of the FY 25-26 regional rates, an erroneous payment correction (EPC) will be performed to correct claims paid at the incorrect rate.

The per-diem rates include routine and all hospital-based ancillary services but exclude professional services. Enclosed is the table displaying the regional average non-contract rates for FY 2025-25.

Should you have any questions or need additional information, please contact [SDMCRates@dhcs.ca.gov](mailto:SDMCRates@dhcs.ca.gov).

Sincerely,

Charles Anders, Division Chief  
Local Governmental Financing Division