

To: PCPs, OB/GYN & Family Planning Providers
From: IEHP – Compliance
Date: August 6, 2026
Subject: **DHCS APL 26-013 – H.R.1 Federal Payments to Prohibited Entities – Important Update: End of One-Year Restriction on Federal Payments**

On June 23, 2026, the California Department of Health Care Services (DHCS) issued **All Plan Letter (APL) 26-013 H.R. 1 – Federal Payments to Prohibited Entities – Important Update: End of One-Year Restriction on Federal Payments.**

The updated guidance specifically applies to claims or encounters with dates of service (DOS) on or after July 4, 2026

Key Points from APL 26-013:

- Effective July 4, 2026, the one-year federal payment restriction on “Prohibited Entities” under H.R. 1 Section 71113 ends.
- Medi-Cal and Family PACT providers that meet the definition of a “Prohibited Entity” may resume submitting claims and encounters for Medi-Cal covered services rendered to members **with DOS July 4, 2026 and onwards.**
- For claims/encounters with dates of service (DOS) from **July 4, 2025**, to **July 3, 2026**, refer to [APL 25-011](#) (last revised September 17, 2025) and any applicable updates.

IEHP is required to communicate these requirements, including the effective dates, with our network.

This notice is informational, and no action is required of PCPs, OB/GYNs, or Family Planning Providers.

If you have any questions, please contact the IEHP Provider Call Center at (909) 890-2054, (866) 223-4347 or email ProviderServices@iehp.org

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