

## Provider Rates and Program Expansions Update (As of October 6, 2025)

In our July 29th message [Rates and Program Expansion Update](#), we communicated that we would share status updates approximately 90 days after the close of Q2 2025.

### Updated Analysis of 2025 Medical Spend by County

- **Bucks, Lehigh, Montgomery, and Northampton Counties:** Trending favorable year-to-date. There will be a small, finite amount of funding available in 2025 for lump sum stabilization payments, provider expansion, or new initiatives. Based on our assessment of utilization, unit cost trends and network access, community-based and ambulatory providers will be prioritized.
- **Cambria County:** Medical expenditures are fully allocated. The financial situation is not able to support rate increases or provider expansion currently.

### Implications for Magellan's Provider Network

- Magellan continues to evaluate the network for adequacy and geographic needs. Where an immediate need for program expansion is identified, we will proactively reach out to providers. Please note that we will continue to regularly review and prioritize both new and existing provider requests for network entry or expansion.
- **Sustained rate increases** remain paused across all counties.

### Next Steps

- The counties and Magellan will finalize their review and analysis of Q2 2025 claims data while monitoring ongoing utilization trends.
- The counties and Magellan will finalize decisions based on updated 2025 projections and 2026 capitation rates.
- Retrospective increases in the form of lump sums will be paid to identified providers prior to December 31, 2025.
- We will share status updates approximately 90 days after the close of Q3 2025, and Q4 2025 as follows:
  - Q3 2025 status update will be shared on Friday, January 9, 2026.
  - Q4 2025 status update will be shared on Friday, April 3, 2026.
- Decisions will be individualized by each county. Should opportunities for rate adjustments or network expansion arise, Magellan and the respective county will directly contact impacted providers.

Thank you for your continued partnership and commitment to the individuals we collectively serve. We will continue to provide updates as more information becomes available.