



**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Office of Medicaid**  
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## **Acute Outpatient Hospital Bulletin 41**

**DATE:** March 2025

**TO:** Acute Outpatient Hospitals Participating in MassHealth

**FROM:** Mike Levine, Assistant Secretary for MassHealth

**RE:** **Cell and Gene Therapy Adjudicated Payment Amount per Discharge and Adjudicated Payment per Episode of Care Carve-Out**

### **Background**

MassHealth maintains lists of Adjudicated Payment Amount per Discharge (APAD) and Adjudicated Payment per Episode of Care (APEC) carve-out drugs. These lists currently comprise one-time infused cell and gene therapies. Managed Care Organizations (MCOs) and Accountable Care Partnership Plans (ACCPs) currently review prior authorization (PA) and reimburse for claims for their enrollees for APAD and APEC carve-out drugs.

### **Changes Effective April 1, 2025**

Effective April 1, 2025, MassHealth will transition the review and management of all APAD and APEC carve-out drugs to the MassHealth Drug Utilization Review (DUR) Program. Effective for dates of service on or after April 1, 2025, all PA requests for APAD and APEC carve-out drugs must be submitted to the DUR Program for review and approval before administration. This change centralizes oversight to ensure appropriate utilization, enhance prior authorization efficiency, and streamline payment processes. MassHealth will issue further guidance to outline submission procedures that hospitals will need to follow and will include information about what MCOs and ACCPs should do if they receive PA requests for APAD and APEC carve out drugs.

Please refer to the [MassHealth Acute Hospital Carve-Out Drugs List](#) on the MassHealth Drug List for the list of drugs and additional information on the prior authorization review process and payment. Payment will be consistent with Sections 5.B.8.b and 5.C.9 of the current MassHealth Acute Hospital Request for Applications (Acute Hospital RFA) for in-state acute hospitals and regulations at 130 CMR 450.233(D) for out-of-state acute hospitals.

Only PA requests for the APAD and APEC carve-out drugs themselves will be reviewed by the MassHealth DUR Program. Hospitals must continue to submit all other required PA requests and all required pre-admission screening requests to the applicable MCO or ACCP for members enrolled in these plans.

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