# ATTACHMENT N

# Safety Net Hospital Provider Payment Eligibility and Allocation Protocol

Hospitals that meet the eligibility criteria to receive a Safety Net Provider Payment pursuant to STC 11.2 and their corresponding potential payments are listed in Table 2 below.

## Safety Net Provider Payment Eligibility and Allocation Methodology

Hospitals that are eligible to receive Safety Net Provider Payments must meet the eligibility criteria below and have a demonstrated Medicaid and Uninsured shortfall as reported on the Uncompensated Care Cost and Charge Report (UCCR). The eligibility criteria use hospitals’ fiscal year 2019 Center for Health Information and Analysis (CHIA) hospital cost reports.

To be eligible, the hospital must meet the following four criteria:

1. Medicaid and Uninsured payer mix by charges of at least 20.00%;
2. Commercial payer mix by charges of less than 50.00%;
3. Is not a MassHealth Essential hospital as defined in Massachusetts’ approved State Plan; and
4. Is not a critical access hospital with fewer than 30 beds upon issuance of the 2019 CHIA hospital cost reports.

Eligible hospitals are split into two groups based on these criteria:

* ***Group 1***: Any hospital that received Delivery System Transformation Initiative (DSTI) payments in the SFY 2015-2017 demonstration period.
* ***Group 2***: Any hospital that did **not** receive DSTI payments in the SFY 2015- 2017 demonstration period.

Twenty percent (20%) of each hospital’s total Safety Net Provider Payments for each demonstration year will be at risk and subject to an Accountable Care Organization (ACO) accountability score, which has performance requirements aligned with the Commonwealth’s ACO program. Of the twenty percent, 15% will be tied to the quality performance of the hospital’s partnered ACO (ACO quality score) and 5% will be tied to the total cost of care (TCOC) performance of the hospital’s partnered ACO (ACO TCOC score). Executive Office of Health and Human Services (EOHHS) will calculate the ACO quality score as set forth in Appendix Q of the Accountable Care Partnership Plan (ACPP) contract and Appendix B of the Primary Care ACO (PCACO) contract. EOHHS will determine the ACPP TCOC score based on ACO Plan Corridor performance as set forth in Section 4 of the ACPP contract. EOHHS will determine the PCACO TCOC Score based on TCOC Performance as set forth in Section 4 of the PCACO contract. Table 1 sets forth the relationship between TCOC Performance (Plan Corridor performance for ACPPs) and the ACO’s TCOC Score.

**Table 1. TCOC Performance and TCOC Score**

|  |  |
| --- | --- |
| **TCOC Performance****(Plan Corridor Performance for ACPPs)** | **TCOC Score** |
| >0% gain | 100% |
| 0-5% loss | 75% |
| 5-10% loss | 50% |
| >10% loss | 0% |

The at-risk payments will be withheld until performance results are available or can be estimated as described below.

**Table 2. Safety Net Provider Potential Payments by Eligible Hospital Provider (in millions)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Hospital Provider | **DY 27** | **DY 28** | **DY 29** | **DY 30** | **DY 31** | **DY 32** |
| **Oct - Dec 22** | **CY 23** | **CY 24** | **CY 25** | **CY 26** | **CY 27** |
| Group 1 |
| Boston Medical Center | 34.865 | 139.458 | 139.458 | 139.458 | 139.458 | 139.458 |
| Holyoke Medical Center | 2.151 | 8.603 | 8.603 | 8.603 | 8.603 | 8.603 |
| Lawrence General Hospital | 3.801 | 15.204 | 15.204 | 15.204 | 15.204 | 15.204 |
| Mercy Medical Center | 3.990 | 15.959 | 15.959 | 15.959 | 15.959 | 15.959 |
| Signature Healthcare Brockton Hospital | 4.398 | 17.590 | 17.590 | 17.590 | 17.590 | 17.590 |
| Steward Carney Hospital Inc. | 1.697 | 6.787 | 6.787 | 6.787 | 6.787 | 6.787 |
| Group 2 |
| Baystate Franklin Medical Center | 0.389 | 1.554 | 1.554 | 1.554 | 1.554 | 1.554 |
| Baystate Medical Center | 4.434 | 17.735 | 17.735 | 17.735 | 17.735 | 17.735 |
| Baystate Wing Hospital | 0.312 | 1.247 | 1.247 | 1.247 | 1.247 | 1.247 |
| Berkshire Medical Center | 1.492 | 5.969 | 5.969 | 5.969 | 5.969 | 5.969 |
| Heywood Hospital | 0.499 | 1.995 | 1.995 | 1.995 | 1.995 | 1.995 |
| Lowell General Hospital | 1.887 | 7.549 | 7.549 | 7.549 | 7.549 | 7.549 |
| Martha's Vineyard Hospital | 0.291 | 1.165 | 1.165 | 1.165 | 1.165 | 1.165 |
| MetroWest Medical Center | 1.606 | 6.422 | 6.422 | 6.422 | 6.422 | 6.422 |
| Noble Hospital | 0.211 | 0.845 | 0.845 | 0.845 | 0.845 | 0.845 |
| North Shore Medical Center | 2.303 | 9.213 | 9.213 | 9.213 | 9.213 | 9.213 |
| Shriners Hospitals for Children Boston | 0.219 | 0.875 | 0.875 | 0.875 | 0.875 | 0.875 |
| Shriners Hospitals for Children Springfield | 0.135 | 0.539 | 0.539 | 0.539 | 0.539 | 0.539 |
| Southcoast Hospitals Group | 3.631 | 14.524 | 14.524 | 14.524 | 14.524 | 14.524 |
| Steward Good Samaritan Medical Center | 0.876 | 3.505 | 3.505 | 3.505 | 3.505 | 3.505 |
| Steward Holy Family Hospital Inc. | 0.989 | 3.954 | 3.954 | 3.954 | 3.954 | 3.954 |
| Steward Morton Hospital | 0.394 | 1.570 | 1.570 | 1.570 | 1.570 | 1.570 |
| Tufts Medical Center | 4.083 | 16.333 | 16.333 | 16.333 | 16.333 | 16.333 |
| **Total** | 74.650 | 298.600 | 298.600 | 298.600 | 298.600 | 298.600 |

## Estimated Payments and Reconciliation

Generally, the Commonwealth will make payments to eligible hospitals for ACO quality and TCOC performance as described above when results become available. For performance measures that rely on claims and/or other lagged sources of data, the state will make estimated payments, which will be subject to final reconciliation. The Commonwealth will perform an annual reconciliation once final quality and TCOC performance results are available to identify the final payment amount due to the hospital. The Commonwealth will pay the hospital any amount due above the estimated payment or recoup from the hospital any amount by which the estimated payment exceeded the final amount due.