



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

1000 Washington Street, Suite 810 • Boston, MA 02118-6200
(617) 521-7794 • Toll-free (877) 563-4467
<http://www.mass.gov/doi>

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

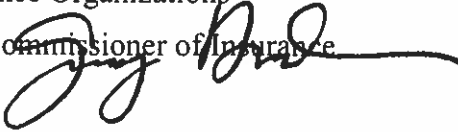
MIKE KENNEALY
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

EDWARD A. PALLESCHI
UNDERSECRETARY OF CONSUMER AFFAIRS
AND BUSINESS REGULATION

GARY D. ANDERSON
COMMISSIONER OF INSURANCE

BULLETIN 2022-01

To: All Commercial Insurers, Blue Cross and Blue Shield of Massachusetts, Inc.,
and Health Maintenance Organizations

From: Gary D. Anderson, Commissioner of Insurance 

Date: January 5, 2022

Re: Authorization of Acute Hospital Care at Home in Response to Health Facility Staffing
and Capacity Constraints

The Division of Insurance (“Division”) issues this Bulletin 2022-01 to Commercial Health Insurers, Blue Cross and Blue Shield of Massachusetts, Inc. and Health Maintenance Organizations (“Carriers”) to identify the Division’s expectations regarding the need to permit reimbursement for Acute Hospital Care at Home services in response to health facility staffing and capacity constraints.

Staffing and Capacity Constraints

In order to minimize the impacts of significant staffing shortages and capacity constraints, it is essential that government and business leaders take all appropriate steps to safeguard the general public and well-being of the Commonwealth’s citizens. At this time, our health care delivery system, particularly acute care hospitals, have significant staffing and capacity constraints, and site-of-service flexibility will aid in the Commonwealth’s delivery of appropriate care.

Acute Hospital Care at Home

Since 2019, the Centers for Medicare & Medicaid Services (CMS) has outlined steps to increase the capacity of inpatient acute care facilities to provide acute levels of care for eligible patients in their homes. The federal Acute Hospital Care at Home program enables facilities that are CMS-approved under the program to provide certain health care services outside of the hospital setting as appropriate. The Division expects Carriers to take steps to authorize Acute Hospital Care at Home services where medically necessary and appropriate. Acute Hospital Care at Home services will be

deemed medically necessary and appropriate for patients who meet inpatient admission criteria and who are approved for transfer to Acute Hospital Care at Home from an emergency room or an inpatient acute care facility within the Carrier's service area, in accordance with the following:

- (1) Carriers are to provide for eligibility and services only through CMS-approved facilities consistent with the federal Acute Hospital Care at Home program, and these services will only be available from providers that are certified by CMS for Acute Hospital Care at Home;
- (2) Carriers are to permit Acute Hospital Care at Home for a 90-day period following the issuance of this Bulletin; and
- (3) Carriers are permitted to perform utilization review, including but not limited to prior authorization and concurrent review, for Acute Hospital Care at Home services to determine the medical necessity of such acute care services.

The Division expects that Carriers would reimburse CMS-approved facilities at a level that is no less than the Medicare rate of reimbursement during the 90-day period as they negotiate facility specific rates of reimbursement that may apply following the end of the 90-day period.

Carriers Acting as Administrators

Given healthcare staffing and capacity constraints, when Carriers are acting as administrators for employment-sponsored non-insured health benefit plans, the Division expects Carriers to encourage plan sponsors to take steps that are consistent with the provisions of this Bulletin 2022-01. Plan sponsors should be made aware of the public health risks to all Massachusetts residents, and Carriers should do all they can to encourage plan sponsors to take steps to provide access to Acute Hospital Care at Home for a period lasting for 90 days following the issuance of this Bulletin.

If you have any questions about this Bulletin, please contact Kevin Beagan, Deputy Commissioner for the Health Care Access Bureau, at (617) 521-7323.