Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Medical Assistance
600 Washington Street
Boston, MA 02111
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MassHealth
Eligibility Letter 119
February 1, 2004

TO: MassHealth Staff

FROM: Beth Waldman, Acting Commissioner Beth Waldman

RE: **Changes to MassHealth Copayments**

Effective February 1, 2004, MassHealth has changed the copayment amount from $2 for all drugs, to $1 for generic drugs and nonlegend (over-the-counter) drugs, and $3 for all other drugs. MassHealth has also established a copayment of $3 for nonpsychiatric acute inpatient hospital stays. This copayment is in addition to the existing MassHealth hospital copayment of $3 for nonemergency use of a hospital emergency department.

In addition, MassHealth has established calendar-year copayment caps of $200 for pharmacy services and $36 for nonpharmacy services. These caps are the maximum amounts that a member can be charged in copayments within a calendar year. Since this new policy is effective February 1, 2004, MassHealth has adjusted these caps for calendar year 2004 to $184 for pharmacy services and $33 for nonpharmacy services.

Individuals Excluded from the MassHealth Copayment Requirement

The following individuals are not subject to the copayment requirement:

- members under 19 years of age;
- members who are pregnant or in the postpartum period that extends through the last day of the second calendar month following the month in which their pregnancy ends (for example, if the woman gave birth May 15, she is exempt from the copayment requirement until August 1);
- MassHealth Limited members;
- MassHealth Senior Buy-In members or MassHealth Standard members for Medicare-covered drugs only, when provided by a Medicare-certified provider;

- members who are inpatients in nursing facilities, chronic-disease or rehabilitation hospitals, or intermediate-care facilities for the mentally retarded, or who are admitted to a hospital from such a facility;
- members receiving hospice services; and
- persons receiving medical services through the Emergency Aid to the Elderly, Disabled and Children Program pursuant to 130 CMR 450.106, if they do not receive MassHealth Basic, MassHealth Essential, or MassHealth Standard.

Additional Exclusions for MassHealth Copayment for Pharmacy Services

There is no MassHealth pharmacy copayment for:
- family-planning services and supplies;
- members who have reached their pharmacy copayment cap—meaning those members who pay and / or incur charges for MassHealth pharmacy copayments totaling $184 in calendar year 2004 ($200 in succeeding years);
- members who are inpatients in hospitals (There is no separate pharmacy copayment for pharmacy services provided as part of the hospital stay.); and
- emergency services.

Additional Exclusions for Non-Pharmacy Services

There is no MassHealth non-pharmacy copayment for:
- family-planning services and supplies;
- hospital services provided to members who have other comprehensive medical insurance, including Medicare;
- members who have reached their non-pharmacy copayment cap—meaning those members who pay and / or incur charges for MassHealth non-pharmacy copayments totaling $33 in calendar year 2004 (or $36 in succeeding calendar years);
- mental health and substance abuse–related services; and
- emergency services.

Collecting Copayments from the Member

Providers will give members who pay a copayment a receipt. If a copayment is due, but the member does not pay it at the time of service, the member remains responsible for the copayment, and the provider may bill the member for the copayment. However, providers may not refuse to provide a covered service to a MassHealth member who is unable to pay the copayment at the time of service.

Copayment Cap Letter

When a member reaches either copayment cap for the calendar year, MassHealth sends the member a letter stating that the particular copayment cap has been met. If the member is enrolled with a MassHealth managed care organization (MCO), the MCO sends the letter to the member. The member may use this letter as proof of having met the copayment cap. When a member presents such a letter, the provider will not charge the member a copayment.

Self-Declaration of Exclusion from Copayment Requirement

Because of the time required for claims processing and data-sharing, it is possible for a member to have met a copayment cap or otherwise be excluded from the copayment requirement, and not be identified as such on REVS or POPS.

Providers will not charge a copayment at the time of service to a member who states that he or she has met one of the exclusions from the copayment requirement. If the provider does not charge the member a copayment and later discovers that the member was not excluded from the copayment requirement, the provider may bill the member for the unpaid copayment.

Special Rules for Members Enrolled in a MassHealth MCO

MassHealth members enrolled with an MCO must make copayments in accordance with the MassHealth copayment policy. These MassHealth MCO copayments exclude the same persons and services as the fee-for-service MassHealth copayment requirements, and cannot exceed the amounts charged to Primary Care Clinician (PCC) and fee-for-service MassHealth members.

These regulations are effective February 1, 2004.

MANUAL UPKEEP

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508.016: Copayments Required by MassHealth

MassHealth requires MassHealth members who are not enrolled in MCOs to make the copayments described in 130 CMR 520.036 through 520.040. If the usual and customary fee for the service is less than the copayment amount, the member must pay the amount of the service. Members who are enrolled in MassHealth MCOs must make copayments in accordance with the MCO's MassHealth copayment policy. Those MCO copayment policies must:

(1) be approved by MassHealth:
(2) (2) exclude the persons and services listed in 130 CMR 520.037;
(3) not exceed the MassHealth copayment amounts set forth in 130 CMR 520.038; and
(4) include the calendar-year maximum set forth in 130 CMR 520.040. (See also 130 CMR 450.130.)

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When the total of submitted bills is equal to or greater than the deductible and all other eligibility requirements continue to be met, MassHealth will notify the applicant that he or she is eligible. The member is eligible for payment of all covered medical expenses incurred during that deductible period, other than those submitted to meet the deductible, as long as the member continues to meet all other eligibility requirements during the balance of the deductible period.

520.036: Copayments Required by MassHealth

MassHealth requires MassHealth members to make the copayments described in 130 CMR 520.038, up to the calendar-year maximum described in 130 CMR 520.040, except as excluded in 130 CMR 520.037. If the usual and customary fee for the service or product is less than the copayment amount, the member must pay the amount of the service or product.

520.037: Copayment Requirement Exclusions

(A) Excluded Individuals.

(1) The following individuals do not have to pay the copayments described in 130 CMR 520.038:

(a) members under 19 years of age;

(b) members who are pregnant or in the postpartum period that extends through the last day of the second calendar month following the month in which their pregnancy ends (for example, if the woman gave birth May 15, she is exempt from the copayment requirement until August 1);

(c) MassHealth Limited members;

(d) MassHealth Senior Buy-In members or MassHealth Standard members for Medicare-covered drugs only, when provided by a Medicare-certified provider;

(e) members who are inpatients in nursing facilities, chronic-disease or rehabilitation hospitals, or intermediate-care facilities for the mentally retarded or are admitted to hospitals from such facilities;

(f) members receiving hospice services; and

(g) persons receiving medical services through the Emergency Aid to the Elderly, Disabled and Children Program pursuant to 130 CMR 450.106, if they do not receive MassHealth Standard.

(2) Members who have accumulated copayment charges totaling the calendar-year maximum of $200 on pharmacy services do not have to pay further MassHealth copayments on pharmacy services during the calendar year in which the member reached the MassHealth copayment maximum for pharmacy services.

(3) Members who have accumulated copayment charges totaling the calendar-year maximum of $36 on nonpharmacy services do not have to pay further MassHealth copayments on nonpharmacy services during the calendar year in which the member reached the MassHealth copayment maximum for nonpharmacy services.

(4) Members who have other comprehensive medical insurance, including Medicare, do not have to pay MassHealth copayments on nonpharmacy services.

(5) Members who are inpatients in a hospital do not have to pay a separate copayment for pharmacy services provided as part of the hospital stay.

(B) Excluded Services. The following services are excluded from the copayment requirement described in 130 CMR 520.038:

(1) family-planning services and supplies such as oral contraceptives, contraceptive devices such as diaphragms and condoms, and contraceptive jellies, creams, foams, and suppositories;

(2) nonpharmacy behavioral health services; and

(3) emergency services.

520.038: Services Subject to Copayment

MassHealth members are responsible for making the following copayments unless excluded in 130 CMR 520.037:

(A) Pharmacy Services.

(1) $1 for each prescription and refill for each generic drug and over-the-counter drug covered by MassHealth; and

(2) $3 for each prescription and refill for all other drugs covered by MassHealth.

(B) Nonpharmacy Services.

(1) $3 for nonemergency services covered by MassHealth provided in a hospital emergency department; and

(2) $3 for an acute inpatient hospital stay.

520.039: Members Unable to Pay Copayment

Providers may not refuse services to a member who is unable to pay at the time the service is provided. However, the member remains liable to the provider for the copayment amount.

520.040: Calendar-Year Maximum

Members are responsible for the MassHealth copayments described in 130 CMR 520.038, up to the following calendar-year maximums:

(A) $200 for pharmacy services; and

(B) $36 for nonpharmacy services.