



**Eligibility Operations Memo 21-07**  
**April 22, 2021**

TO: MassHealth Eligibility Operations Staff  
FROM: Heather Rossi, Deputy Policy Director for Eligibility

RE: **Change in Pharmacy Copay and Premium Policies**

**Background**

MassHealth is revising its cost sharing policies **to limit members' copay and premium obligations to 5% of the member's monthly household income**. These changes are being implemented in two phases: the first phase became effective on July 1, 2020, and the second phase will become effective on July 1, 2021. **There will be no changes to the existing copay exclusions**. For a complete list of members and services excluded from copays, please refer to 130 CMR 506.015 and 130 CMR 520.037.

**Phase 1 Implementation – July 1, 2020**

Effective July 1, 2020, the following services were newly excluded from copays. Please note that copays for acute inpatient hospital stays were also eliminated on March 18, 2020.

- FDA-approved medications for detoxification and maintenance treatment of substance use disorders (SUD);
- [preventive services rated Grade A and B by the US Preventive Services Task Force \(USPSTF\)](#)<sup>1</sup> or broader exclusions specified by MassHealth (e.g., low-dose aspirin; colonoscopy preparation); and
- [vaccines and their administration recommended by the Advisory Committee on Immunization Practices \(ACIP\)](#)<sup>2</sup>.

Effective July 1, 2020, the following populations were newly excluded from copays:

- members with incomes at or less than 50% federal poverty level (FPL); and
- members automatically eligible for MassHealth because they are receiving other public assistance such as Supplemental Security Income (SSI), Transitional Aid to Families with Dependent Children (TAFDC), or services through the Emergency Aid to the Elderly, Disabled and Children (EAEDC) Program.

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<sup>1</sup> As these ratings may be updated by the USPSTF.

<sup>2</sup> As these recommendations may be updated by the ACIP.

**Phase 2 Implementation – July 1, 2021**

Effective July 1, 2021, the cost sharing policies will be updated to ensure that **a member's total copay and premium obligation will not exceed 5% of the member's monthly household income**. The following updates will be made to the cost sharing policies to implement this change:

- MassHealth will replace the current \$250 annual pharmacy copay cap with **a member-specific monthly copay cap not to exceed 2% of the member's monthly household income**. **Note:** During the COVID-19 public health emergency, MassHealth will make sure no one is charged more than the current \$250 annual copay cap, regardless of the changes outlined below.
  - A copay cap is the highest dollar amount that a member can be charged in copays in a month.
  - MassHealth will calculate a monthly copay cap for each member based on the lowest income in their household and their household size, as applicable. MassHealth will round the member's monthly copay cap down to the nearest ten-dollar increment up to \$60 and determine their final monthly copay cap as shown in the table below.

<b>If a member's monthly copay cap is calculated to be:</b>	<b>Their final monthly copay cap will be:</b>
\$0 to \$9.99	No Copays
\$10 to \$19.99	\$10
\$20 to \$29.99	\$20
\$30 to \$39.99	\$30
\$40 to \$49.99	\$40
\$50 to \$59.99	\$50
\$60 or Greater	\$60

- For example, if a member's monthly copay cap is \$12.50 in July, the member will not be charged more than \$10 of copays in July. If the member's household income or family size changes in August, their monthly copay cap may change for August.
- If members have questions about the copay policy, they can reach the MassHealth Customer Service Center (CSC) at (800) 841-2900, Monday through Friday between 8:00 a.m. and 5:00 p.m. For TTY, they can call (800) 497-4648 during the same hours.
- MassHealth **premiums will not exceed 3% of the member's monthly household income**, as applicable. This limit does not apply to CommonHealth members.

**Systems Changes**

MassHealth will be updating the MMIS, MA21, and HIX systems to track, store, and present key member copay information.

### **MassHealth Website**

This memo is available on the Eligibility Operations Memo web page at [www.mass.gov/lists/eligibility-operations-memos-by-year#2021-eligibility-operations-memos-](http://www.mass.gov/lists/eligibility-operations-memos-by-year#2021-eligibility-operations-memos-)

For more information on copay policies and exclusions, please visit the Member Copay Information web page [www.mass.gov/copayment-information-for-members](http://www.mass.gov/copayment-information-for-members).

### **Member and Provider Notifications**

Beginning in May 2021, MassHealth will send a notice to members explaining these changes and notifying members of their initial monthly copay cap. Starting July 1, 2021, MassHealth will send a notice to members whenever their copay cap changes or whenever they meet their current monthly copay cap.

In April 2021, MassHealth issued [All Provider Bulletin 315](#) explaining these changes. Pharmacies will also receive this information in a Pharmacy Facts closer to the July 1, 2021, implementation date.

### **Questions**

If you have questions about this memo, please have your MEC designee contact the Policy Hotline.