



## **Managed Care Entity Bulletin 125**

**DATE:** March 2025

**TO:** Accountable Care Partnership Plans and Managed Care Organizations 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**

### **Applicable Managed Care Entities and PACE Organizations**

- Accountable Care Partnership Plans (ACPPs)
- Managed Care Organizations (MCOs)
- Primary Care Accountable Care Organizations (PCACOs)
- MassHealth's behavioral health vendor
- One Care Plans
- Senior Care Options (SCO) Plans
- Program of All-inclusive Care for the Elderly (PACE) Organizations

### **Background**

MassHealth maintains lists of Adjudicated Payment Amount per Discharge (APAD) and Adjudicated Payment per Episode of Care (APEC) carve-out drugs. Currently, these lists comprise one-time infused cell and gene therapies. Managed Care Organizations (MCOs) and Accountable Care Partnership Plans (ACPPs) currently review prior authorization and reimburse for claims for their members 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 services on or after April 1, 2025, all prior authorization (PA) requests for APAD and APEC carve-out drugs must be submitted to the DUR Program for review and approval before administration. MassHealth will pay these claims directly for ACPP and MCO enrollees 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. 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 ACPPs should do if they receive PA requests for APAD and APEC carve out drugs.

To reflect this policy update, APAD and APEC carve-out drugs will be added to the Non-ACO and Non-MCO Covered Services lists in Exhibit 2, Appendix C of the ACPP and MCO Contracts. The updates to Appendix C of the ACPP and MCO Contracts will be reflected in a forthcoming contract amendment.

Only PA requests for the APAD and APEC carve-out drugs themselves will be reviewed by the MassHealth DUR Program. ACPP and MCOs will still be responsible for responding to all other PA requests and required pre-admission screening requests from hospitals for their enrollees.

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.

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