




Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
www.mass.gov/masshealth

MassHealth
Managed Care Entity Bulletin 33
May 2020

TO: Accountable Care Partnership Plans, Managed Care Organizations Participating in MassHealth, and the MassHealth Behavioral Health Vendor

FROM: Amanda Cassel Kraft, Acting Medicaid Director 

RE: Temporary Incremental Rate Increase for Inpatient Mental Health Services In Response to COVID-19 Pandemic

Background

MassHealth's mission is to improve the health outcomes of our diverse members and their families by providing access to integrated health care services that sustainably and equitably promote health, well-being, independence and quality of life. In support of that mission, MassHealth provides broad coverage of medically necessary health care services to its members. MassHealth partners with a wide variety of service providers, including vital safety net providers, in order to offer its members access.

In light of the 2019 novel Coronavirus (COVID-19) outbreak, and to address the increased costs associated with the COVID-19 response, MassHealth will provide financial support to Department of Mental Health (DMH)-licensed inpatient psychiatric facilities meeting specific eligibility criteria. As described in the Psychiatric Hospital Bulletin 25 and Acute Inpatient Hospital Bulletin 175, this financial support will take the form of a temporary incremental rate increase to the psychiatric per diem rate and a supplemental payment. Additionally, through this bulletin, MassHealth is directing Managed Care Organizations (MCOs), Accountable Care Partnership Plans (ACPPs), and the MassHealth Behavioral Health Vendor (referred to here collectively as "managed care plans") to institute temporary rate increases as set forth in this bulletin. These directed payments will ensure that providers receive this crucial stabilization funding for serving members enrolled in managed care.

Background: Department of Mental Health (DMH) Infection Control Competencies / Standards and Facility Tiering

On May 21, 2020, the Department of Mental Health (DMH) posted DMH Bulletin 20-05: COVID-19 Infection Control and Other Requirements in Response to the COVID-19 Pandemic. DMH Bulletin 20-05 includes Infection Control Competencies / Standards, which establish consistent infection control practices and consistent practices for the admission to DMH-licensed facilities (which includes all acute inpatient hospitals with DMH-licensed beds (Applicable AIHs) and psychiatric hospitals), and treatment within those facilities of patients whose status regarding infection with COVID-19 is either pending test results, presumed positive, or confirmed positive. DMH will maintain a list of Tier 1 and Tier 2 facilities who have been determined to meet requirements, as outlined by DMH.

Tier 1 establishes baseline infection control standards with which all DMH-licensed facilities are expected to comply. Tier 2 establishes infection control standards and guidelines for DMH-licensed facilities that have the capacity to admit and provide ongoing management for patients who are confirmed to be infected with COVID-19. All DMH licensed inpatient psychiatric facilities, and all

MassHealth
Managed Care Entity Bulletin 33
May 2020
Page 2 of 3

units with DMH-licensed beds within Applicable AIHs, are expected to attest to meeting either Tier 1 or Tier 2 guidelines, and meet additional requirements as outlined by DMH.

Managed care plans will be required to adopt the DMH Infection Control Competencies / Standards as part of their network agreements with DMH-licensed hospitals and Applicable AIHs. Managed care plans should include a review of each network hospital's compliance with such competencies and standards as part of their regular audit and compliance reviews of these facilities in their networks. Managed care plans must report any noncompliance by the hospitals to MassHealth.

Temporary Incremental Rate Increase for Inpatient Mental Health Services

MassHealth is directing managed care plans to temporarily increase payment rates to DMH-licensed Psychiatric Hospitals and all units with DMH licensed beds within Applicable AIHs, as described in this bulletin, for inpatient mental health services. The managed care plan must apply the absolute increase indicated below to the plan's current contracted rates with eligible providers, regardless of whether those rates are the same as MassHealth's fee-for-service rates.

If a managed care plan has sub-capitated or Alternative Payment Methodology (APM) arrangements with providers, the sub-capitated or APM payments to providers should be increased by the equivalent of the rate increases that would be required for fee for service payments.

Managed care plans may not subject the required rate increases to any withhold arrangement with providers; the plans must ensure that providers receive the full rate increases listed in the table below. MassHealth will amend the plans' contracts to reflect these rate increase requirements.

MassHealth will notify the plans of the hospitals (or units within Applicable AIHs in the case of such hospitals with multiple units containing DMH-licensed beds) that have been designated by DMH as Tier 1 and Tier 2 facilities and that have met other conditions of payment as outlined by MassHealth. As directed by MassHealth, managed care plans must increase the plans' inpatient mental health services per diem rates to as follows:

Tier	Incremental increase for inpatient mental health services (per diem)
Tier 1	\$94 above current contracted per diem rates
Tier 2	\$188 above current contracted per diem rates

Effective Date for Temporary Incremental Rate Increase

For hospitals that meet the prompt submission requirements set forth by DMH and MassHealth, the managed care plans shall apply a Tier 1 rate increase for dates of service on or after April 1, 2020. Rate increases for other eligible hospitals, and all Tier 2 rate increases, will be effective as of the date determined by MassHealth. MassHealth will notify the managed care plans of the effective date of the temporary incremental rate increase for each eligible hospital.

The temporary incremental rate increases for inpatient mental health services described in this bulletin will be in effect through July 31, 2020.

**MassHealth
Managed Care Entity Bulletin 33
May 2020
Page 3 of 3**

Additional Requirements for Temporary Rate Increases

Managed care plans must pay the increased rate for services delivered on or after the rate increase effective date as determined by MassHealth, including claims submitted prior to the effective date of this bulletin. All rate increases are effective through July 31, 2020.

Managed care plans shall reflect the specified rate increases described in this bulletin in all encounter file claim paid amounts. Managed care plans shall provide reporting on spend attributed to the rate increase requirements described in this bulletin in a form and format specified by MassHealth.

Managed care plans shall recoup payments made under this bulletin from network hospitals that are found to be out of compliance with the DMH Infection Control Competencies / Standards for Tier 1 or Tier 2 facilities or with other applicable DMH or MassHealth requirements.

MassHealth Website

This bulletin is available on the [MassHealth Provider Bulletins](#) web page.

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Questions

If you have any questions about the information in this bulletin, please contact the MassHealth Customer Service Center at (800) 841-2900, email your inquiry to providersupport@mahealth.net, or fax your inquiry to (617) 988-8974