



MassHealth
Managed Care Entity Bulletin 72
October 2021

TO: One Care Plans, Program of All-inclusive Care for the Elderly (PACE) Organizations, and Senior Care Organizations (SCO) Participating in MassHealth

FROM: Amanda Cassel Kraft, Assistant Secretary for MassHealth [signature of Amanda Cassel Kraft]

RE: **Temporary Rate Increases Due to American Rescue Plan Act–Integrated Care Plans**

Applicable Managed Care Entities and PACE Organizations

- Accountable Care Partnership Plans (ACPPs)
- Managed Care Organizations (MCOs)
- MassHealth’s behavioral health vendor
- One Care Plans
- Senior Care Organizations (SCOs)
- Program of All-inclusive Care for the Elderly (PACE) Organizations

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 a 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, to offer its members access.

The Executive Office of Health and Human Services (EOHHS) recognizes that a strong direct care and support workforce is essential to any effort to strengthen, enhance, and expand Home and Community-based Services (HCBS) and behavioral health outpatient and diversionary services. Accordingly, as part of its implementation of increased funding available pursuant to Section 9817 of the American Rescue Plan Act (ARPA) and drawing on additional Medicaid funding, EOHHS is providing immediate time-limited rate enhancements from July through December 2021 to support HCBS and behavioral health workforce development. This investment is aimed at strengthening and stabilizing the state’s HCBS and behavioral health workforce in response to the COVID-19 public health emergency.

This bulletin details requirements for One Care plans and SCOs (referred to here collectively as “integrated care plans”) related to the distribution of ARPA and Medicaid funds to HCBS and behavioral health providers through provider rate increases. MassHealth is directing integrated care plans to adjust certain provider payments. Furthermore, integrated care plans must follow steps outlined below to ensure funding is applied only to allowable uses.

**MassHealth
Managed Care Entity Bulletin 72
October 2021
Page 2 of 8**

Program of All-inclusive Care for the Elderly (PACE) organizations are encouraged to institute temporary rate increases for providers external to but contracted with a PACE organization to provide the services that are listed in the table on page 5.

MassHealth is concurrently publishing a companion bulletin (Managed Care Entity Bulletin 71) applicable to Accountable Care Partnership Plans, Managed Care Organizations, and MassHealth's behavioral health vendor.

MassHealth anticipates extending temporary rate increases for HCBS and Behavioral Health services through June 30, 2022, and will provide further guidance on such increases in calendar year 2022 in the coming months.

Eligible Medicaid HCBS and Behavioral Health Direct Care, Clinical, and Support Staff

Integrated care plans must ensure that their providers receiving the rate increases detailed in this bulletin use at least 90% of the enhanced funds to support HCBS and behavioral health direct care and support staff. Eligible HCBS and behavioral health direct care and support staff, as well as behavioral health clinical staff providing integrated care plan-covered services that are eligible for the rate increases include, but are not limited to:

- Frontline workers who provide care, services, or support to families and individuals in home and community-based settings and behavioral health outpatient and diversionary settings. Note:
 - There are a variety of job titles that currently refer to these workers including, but not limited to: licensed practical nurses (LPNs), registered nurses (RNs), psychiatric nurse practitioners, personal care attendants, companions, respite providers, homemakers, chore providers, home health and home care aides (workers), nurse aides, nursing assistants, social workers, paid caregiver (including shared living caregivers), recovery coaches, recovery specialists, case managers, care coordinators, licensed and pre-licensed master level clinicians, psychologists, and psychiatrists.
 - Direct care workers also include those employed under consumer-directed model.

The following workers are not considered HCBS and behavioral health direct care, clinical, or support staff and would be considered **ineligible** toward meeting the 90% requirement:

- Executive management, administrators, or individuals in positions that do not include the provision of HCBS or behavioral health services or supports directly to the individual and/or their family.

Allowable Uses

Integrated care plans must ensure that providers receiving the rate increases use this funding for the specific purposes of recruiting, building, and retaining their direct care, clinical, and support workforce. Examples of allowable uses include:

- "Recruitment" defined as offering of incentives and/or onboarding/training.

**MassHealth
Managed Care Entity Bulletin 72
October 2021
Page 3 of 8**

- “Bonuses” defined as added compensation that is over and above an hourly rate of pay, and are not part of an employee’s standard wages. An employee may receive a retention or recruitment bonus.
- “Overtime” defined as compensation for additional hours worked beyond the employer’s standard work week.
- “Shift differential” defined as additional pay beyond the employee’s standard hourly wage for working a specific shift (e.g., nights, weekends, holidays, etc.) or working for special populations (e.g., dementia, autism spectrum disorder, etc.).
- “Hourly wage increase” defined as an increase to the wage the provider agrees to pay an employee per hour worked.
- “Wraparound benefits” defined as employer-provided benefits to help the workforce remain employed. Examples include public transportation or shared ride reimbursements, meal vouchers, or small grants for childcare assistance or regular car maintenance. Other examples include paying for testing or certification materials, continuing education credits (CEUs), or exam fees to encourage retention of staff moving up in the career ladder.

Integrated care plans should encourage their providers to choose the most optimal distribution method to benefit their employees. Providers may use enhanced funds to cover costs associated with incentives (e.g., incremental increase in employer payroll tax associated with time-limited rate enhancement) provided to direct care and support staff beginning on, but not before, June 1, 2021. Integrated care plans must ensure that providers expend all funds received as a result of this enhanced rate by June 30, 2022.

Provider Spending Report and Attestation

Integrated care plans must ensure that providers complete an attestation assuring EOHHS that they will use at least 90% of the funds for HCBS and behavioral health workforce development, which could include hiring and retention bonuses and other categories of worker compensation, as a condition of receipt of the enhanced funding. Additionally, plans must require providers that receive enhanced funds to submit a spending report to EOHHS that accounts for how the enhanced funds were used. Attestations and reporting will be aggregated across all lines of payment (i.e., MassHealth fee-for-service, MassHealth managed care, and state agencies) such that a provider should submit only one attestation and aggregate payments in the required spending reports.

Integrated care plans must ensure that following the distribution of this funding, providers submit a spending report to EOHHS outlining how they used the funds. EOHHS will create an online spending report tool for providers to submit required information. The tool will be accessible here: www.mass.gov/info-details/strengthening-home-and-community-based-services-and-behavioral-health-services-using-american-rescue-plan-arp-funding

The spending categories will align with the types of allowable uses defined in this document and will be aggregated across all payors (i.e., MassHealth fee-for-service, MassHealth managed care, and state agency payments).

The spending report tool also includes an attestation form. Integrated care plans must ensure that providers complete the attestation confirming that they used at least 90% of the funds for HCBS and behavioral health workforce development, which includes hiring and retention bonuses and other

**MassHealth
Managed Care Entity Bulletin 72
October 2021
Page 4 of 8**

categories of worker compensation as described in this document. All providers must comply with this requirement, except Individual Provider/Self Directed Workers delivering Independent Nursing, Homemaker and Personal Care, or other self-directed services through the MassHealth program.

Integrated care plans must ensure that providers receiving enhanced funds complete and submit the spending report and attestation to MassHealth and retain a copy of their submission in their records.

Spending reports and attestations will be due July 31, 2022.

Multiple Businesses

EOHHS recognizes that some providers deliver certain HCBS and behavioral health services through separate businesses. Integrated care plans must ensure that providers in this situation submit one attestation and one spending report per Employer Identification Number (EIN) or Tax Identification Number (TIN).

For example, a provider operates one business for its Behavioral Health services, and another business for Home Health Aide services. The two businesses have two separate EINs. In this case, the provider must submit two attestations and two spending reports—one attestation and spending report for its Behavioral Health business, and a second attestation and spending report for its Home Health Aide business.

Failure to Comply with Requirements

Integrated care plans must inform their network providers that failure to comply with the attestation and spending plan requirement may be subject to financial penalty.

Temporary Rate Increases by Service

MassHealth is directing integrated care plans to increase payment rates temporarily to providers of the services specified in the table on page 5. The rate increases apply to services delivered in-person and via telehealth, as applicable. The integrated care plan must apply the percentage increases indicated in the table to the plan's currently contracted rates as of June 30, 2021, with providers, regardless of whether those rates are the same as the MassHealth fee-for-service rates. For any service already subject to a directed payment requirement, the integrated care plan must apply the rate increases detailed below to the directed payment amount detailed in the integrated care plan's contract.

If an integrated 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.

Plans will not subject the required rate increases to any withhold arrangement with providers; the plans will ensure that providers receive the full rate increases in payments made for the services

**MassHealth
Managed Care Entity Bulletin 72
October 2021
Page 5 of 8**

listed in the table on page 5. MassHealth will amend the plans' contracts to reflect these rate increase requirements in the coming weeks.

ARPA Home and Community Based Services (HCBS) Temporary Rate Increases by Service

For dates of service from July 1, 2021, through December 31, 2021, One Care plans and SCOs are directed to increase the following payment rates by 10% over the plan's contracted rates in effect as of June 30, 2021.

For dates of service from July 1, 2021, through December 31, 2021, PACE organizations are encouraged to increase payment rates by 10% over rates in effect as of June 30, 2021, for providers external to but contracted with a PACE organization to provide the services that are listed in the table below.

Service	Rate Increase Effective Date	Rate Increase End Date	Rate Increase
Adult Day Health	7/1/2021	12/31/2021	10%
Adult Foster Care	7/1/2021	12/31/2021	10%
Ambulance and Wheelchair Van Services	7/1/2021	12/31/2021	10%
Continuous Skilled Nursing Services	7/1/2021	12/31/2021	10%
Day Habilitation	7/1/2021	12/31/2021	10%
Durable Medical Equipment	7/1/2021	12/31/2021	10%
Home Health	7/1/2021	12/31/2021	10%
Group Adult Foster Care	7/1/2021	12/31/2021	10%
Personal Care Attendant (PCA) Program	7/1/2021	12/31/2021	10%

Please refer to [Integrated Care Code Reference Table – HCBS and Behavioral Health](#) for additional details.

Temporary Behavioral Health Service Rate Increases by Service

For dates of service from July 1, 2021, through December 31, 2021, One Care plans and SCOs are directed to increase the following payment rates by 10% over the plan's contracted rates in effect as of June 30, 2021.

For dates of service from July 1, 2021, through December 31, 2021, PACE organizations are encouraged to increase payment rates by 10% over rates in effect as of June 30, 2021 for providers external to PACE organization staff with whom the PACE organization contracts to provide the services listed in the table below.

**MassHealth
Managed Care Entity Bulletin 72
October 2021
Page 6 of 8**

Service	Rate Increase Effective Date	Rate Increase End Date	Rate Increase	One Care	SCO
Emergency Service Program (ESP) and Community Crisis Stabilization (CSS)	7/1/2021	12/31/2021	10%	X	X
Outpatient mental health services: <ul style="list-style-type: none"> • Couples/Family Treatment • Diagnostic Evaluation • Dialectical Behavioral Therapy (DBT) • Family Consultation • Group Treatment • Individual Treatment • Medication visit • Psychological Testing • Special Education Psychological Testing • Electro-Convulsive Therapy (ECT) • Case Consultation 	7/1/2021	12/31/2021	10%	X	X
Community Support Program (CSP) and Intensive Outpatient Program (IOP)	7/1/2021	12/31/2021	10%	X	X
Psych Day Treatment	7/1/2021	12/31/2021	10%	X	X
Partial Hospitalization (PHP)	7/1/2021	12/31/2021	10%	X	X
SUD Clinic Services: <ul style="list-style-type: none"> • Ambulatory Withdrawal Management • Medication Visit • Opioid Treatment Services 	7/1/2021	12/31/2021	10%	X	X
Acute Treatment Services (ATS) for Substance Use Disorders and Clinical Support Services (CSS) for Substance Use Disorders (including Individualized Treatment Services)	7/1/2021	12/31/2021	10%	X	X
Residential Rehabilitation Services (RRS) for Substance Use Disorders	7/1/2021	12/31/2021	10%	X	
Structured Outpatient Addiction Program (SOAP)	7/1/2021	12/31/2021	10%	X	X
Recovery Support Navigators (RSN)	7/1/2021	12/31/2021	10%	X	X
Recovery Coaching	7/1/2021	12/31/2021	10%	X	X

**MassHealth
Managed Care Entity Bulletin 72
October 2021
Page 7 of 8**

Service	Rate Increase Effective Date	Rate Increase End Date	Rate Increase	One Care	SCO
Acupuncture Treatment	7/1/2021	12/31/2021	10%	X	X
Program of Assertive Community Treatment (PACT)	7/1/2021	12/31/2021	10%	X	

Please refer to [Integrated Care Code Reference Table – Behavioral Health and ARPA HCBS](#) for additional details

Additional Requirements for Temporary Rate Increases for HCBS and Behavioral Health Services

Integrated care plans must pay the increased rate for services delivered on or after the rate increase effective date in the table above, including claims submitted prior to the effective date of this bulletin. All rate increases are effective through December 31, 2021.

All encounter file claim paid amounts with dates of service between the rate increase effective date and the rate increase end date must reflect the specified rate increases having been paid by plans to eligible providers no later than June 30, 2022.

Integrated care plans must certify on a monthly basis in a form and format specified by MassHealth to compliance with the rate increase requirements described in this bulletin. Such certification must include certification that the plan has made timely payments to only eligible providers, which include these required increases, with no offsets to provider payments through withholds, sub-capitated payment arrangements or other APMs. Using the provider attestations sent in directly from providers to MassHealth, MassHealth will subsequently distribute lists of ARPA eligible providers to integrated care plans that plans will be expected to use in certifying that payments are only issued to eligible providers.

MassHealth Website

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

[Sign up](#) to receive email alerts when MassHealth issues new bulletins and transmittal letters.

Further Information and Questions

EOHHS will post documents and information related to the implementation on www.mass.gov/info-details/strengthening-home-and-community-based-services-and-behavioral-health-services-using-american-rescue-plan-arp-funding. Integrated care plans should encourage their providers to check this site regularly for updated information.

Integrated care plans should inform their providers that they may submit questions related to the enhanced funding and other questions related to this bulletin to ARPAMEDICAIDHCBS@mass.gov.

**MassHealth
Managed Care Entity Bulletin 72
October 2021
Page 8 of 8**

If you have 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.