# Notice of Final Agency Action

**SUBJECT:** MassHealth: Payment for Acute Inpatient Hospital Services, effective June 16, 2021

**AGENCY:** Massachusetts Executive Office of Health and Human Services (EOHHS), Office of Medicaid

EOHHS hereby announces the payment methodologies that apply to acute inpatient hospitals for certain admissions, effective as of June 16, 2021.

As described in Chart C to the Rate Year 2021 (RY21) Notice of Final Agency Action, published on or about October 31, 2020 (“Final RY21 Notice”), the MassHealth Diagnostic Related Group (DRG) weights for five specific DRGs (including all severity of illness (SOI)) changed as of the first day following the last day of the Governor's Declaration of a State of Emergency Within the Commonwealth Due to COVID-19. These five DRGs are 4, 5, 130, 137, and 720. Because the last day of the Governor's Declaration of a State of Emergency Within the Commonwealth Due to COVID-19 was June 15, 2021, the purpose of this notice is to clarify that June 16, 2021 was the date on which the MassHealth DRG weights for these five DRGs changed.

Therefore, in accordance with Chart C to the Final RY21 Notice, EOHHS hereby announces that, effective June 16, 2021, through the end of Rate Year 2021 (RY21), the MassHealth DRG weights for the five previously identified DRGs are as follows:

| **DRG & SOI** | **DRG Description** | **MassHealth DRG Weight Effective Nov. 1, 2020 through June 15, 2021 (RY21 Emergency Period)** | **MassHealth DRG Weight Effective June 16, 2021 through the end of RY21 (RY21 Post-Emergency Period)** | **Mean LOS** |
| --- | --- | --- | --- | --- |
| 4-1 | TRACHEOSTOMY W MV 96+ HOURS W EXTENSIVE PROCEDURE | 6.6905 | 5.5754 | 41.16 |
| 4-2 | TRACHEOSTOMY W MV 96+ HOURS W EXTENSIVE PROCEDURE | 7.6312 | 6.3593 | 41.16 |
| 4-3 | TRACHEOSTOMY W MV 96+ HOURS W EXTENSIVE PROCEDURE | 12.6473 | 10.5394 | 41.16 |
| 4-4 | TRACHEOSTOMY W MV 96+ HOURS W EXTENSIVE PROCEDURE | 18.3883 | 15.3236 | 41.16 |
| 5-1 | TRACHEOSTOMY W MV 96+ HOURS W/O EXTENSIVE PROCEDURE | 4.7998 | 3.9998 | 29.15 |
| 5-2 | TRACHEOSTOMY W MV 96+ HOURS W/O EXTENSIVE PROCEDURE | 5.0534 | 4.2112 | 29.15 |
| 5-3 | TRACHEOSTOMY W MV 96+ HOURS W/O EXTENSIVE PROCEDURE | 7.8580 | 6.5483 | 29.15 |
| 5-4 | TRACHEOSTOMY W MV 96+ HOURS W/O EXTENSIVE PROCEDURE | 10.8589 | 9.0491 | 29.15 |
| 130-1 | RESPIRATORY SYSTEM DIAGNOSIS W VENTILATOR SUPPORT 96+ HOURS | 3.1644 | 2.6370 | 15.09 |
| 130-2 | RESPIRATORY SYSTEM DIAGNOSIS W VENTILATOR SUPPORT 96+ HOURS | 3.2442 | 2.7035 | 15.09 |
| 130-3 | RESPIRATORY SYSTEM DIAGNOSIS W VENTILATOR SUPPORT 96+ HOURS | 3.8878 | 3.2398 | 15.09 |
| 130-4 | RESPIRATORY SYSTEM DIAGNOSIS W VENTILATOR SUPPORT 96+ HOURS | 5.2542 | 4.3785 | 15.09 |
| 137-1 | MAJOR RESPIRATORY INFECTIONS & INFLAMMATIONS | 0.7027 | 0.5856 | 6.25 |
| 137-2 | MAJOR RESPIRATORY INFECTIONS & INFLAMMATIONS | 0.7735 | 0.6446 | 6.25 |
| 137-3 | MAJOR RESPIRATORY INFECTIONS & INFLAMMATIONS | 1.0528 | 0.8773 | 6.25 |
| 137-4 | MAJOR RESPIRATORY INFECTIONS & INFLAMMATIONS | 1.7300 | 1.4417 | 6.25 |
| 720-1 | SEPTICEMIA & DISSEMINATED INFECTIONS | 0.5034 | 0.4195 | 6.20 |
| 720-2 | SEPTICEMIA & DISSEMINATED INFECTIONS | 0.6425 | 0.5354 | 6.20 |
| 720-3 | SEPTICEMIA & DISSEMINATED INFECTIONS | 0.9888 | 0.8240 | 6.20 |
| 720-4 | SEPTICEMIA & DISSEMINATED INFECTIONS | 2.0645 | 1.7204 | 6.20 |

The RY21 Emergency Period- and RY21 Post-Emergency Period-MassHealth DRG weight and mean length of stay (LOS) for each DRG are the same as those set forth in Chart C to the Final RY21 Notice.

The hospital payment methods described in this Notice are in accordance with state and federal law and are within the range of reasonable payment levels to acute hospitals.

EOHHS estimates that this clarification will have no impact on annual aggregate expenditures for MassHealth acute inpatient hospital services.

Other than as set forth in this Notice, the RY21 acute inpatient hospital payment methods described in the Final RY21 Notice, as modified by the Rate Year 2021 Notice of Final Agency Action, published on or about January 15, 2021 (the “January 15 Notice,”), and the Rate Year 2021 Notice of Final Agency Action, published on or about February 11, 2021 (the “February 11 Notice”), remain unchanged. The Final RY21 Notice, the January 15 Notice, and the February 11 Notice are available under the heading “Acute Hospital Federal Fiscal Year 2021 Notices” on the “Special notices for acute hospitals” page of the MassHealth website at [www.mass.gov/service-details/special-notices-for-acute-hospitals](https://www.mass.gov/service-details/special-notices-for-acute-hospitals). For further information, you may also contact Steven Sauter at the Executive Office of Health and Human Services, MassHealth Office of Providers and Pharmacy Programs, 100 Hancock Street, 6th Floor, Quincy, MA 02171, or at steven.sauter@mass.gov

**Statutory Authority:** M.G.L. c. 118E; St. 2020, c. 227; St. 2020, c. 260; St. 2012, c. 224; 42 USC 1396a; 42 USC 1396b.

**Related Regulations:** 130 CMR 410, 415, 450; 42 CFR Parts 431 and 447.

Posted: June 17, 2021