

Notice of Final Agency Action

SUBJECT: MassHealth: Payment for In-State Acute Hospital Services, Effective January 1, 2025

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

EOHHS is making technical changes to the rate year 2025 acute inpatient and outpatient hospital payment methods and requirements, as described in the rate year 2025 Notice of Final Agency Action published on or around September 27, 2025 (RY25 Notice) and the rate year 2024 Notice of Final Agency Action published on or around October 8, (RY25 Amendment 1 Notice).

Specifically, effective January 1, 2025, EOHHS is making the following technical changes.

- Updating the due date for hospitals to submit their selected third-party validator for greenhouse gas emissions reporting, for MassHealth approval; and
- Updating the Clinical Quality Incentive (CQI) program specifications, including the CQI program measures, measure data sources, performance thresholds and goals, improvement targets, and bonus opportunities.

These technical changes in payment methodologies and requirements are in addition to any payment that the qualifying in-state acute hospitals may receive for services provided to MassHealth members under the acute inpatient and outpatient payment methods described in the RY25 Notices.

EOHHS estimates that there is no fiscal impact because of these changes.

All changes to hospital payment methods described in this notice follow state and federal law and are within the range of reasonable payment levels to acute hospitals.

Except for the changes in this notice, the RY25 acute inpatient and outpatient hospital payment methods described in the RY25 Notice remain unchanged. The RY25 Notice is under the heading “Federal Fiscal Year 2025 Notices” on the “Special Notices for Acute Hospitals” page found at www.mass.gov/service-details/special-notices-for-acute-hospitals.

For further information, or to provide written comments regarding this action, contact Jin Pantano at EOHHS, MassHealth Office of Providers and Pharmacy Programs, 100 Hancock Street, 6th Fl., Quincy, MA 02171 or AcuteHospitalRFA@mass.gov. EOHHS specifically invites comments about the action’s effect on member access to care.

Statutory Authority: M.G.L. c. 118E; St. 2024, c. 140; St. 2012, c. 224; 42 USC 1396a; 42 USC 1396b.

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

Posted: December 30, 2024