

Notice of Final Agency Action

SUBJECT: MassHealth: Payment for In-State Acute Hospital Services, effective May 7, 2022

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

EOHHS hereby revises the Rate Year 2022 acute inpatient and outpatient hospital payment methods, as described in the Rate Year 2022 Notice of Final Agency Action, published on or about October 31, 2021 ("Final RY22 Notice"). Specifically, these revisions add a new Supplemental Payment to Promote Hospital Capacity to Provide Enhanced Emergency Department (ED) Psychiatric Services.

Through this new supplemental payment, EOHHS will provide payments to promote hospital capacity to provide certain services to MassHealth members who present to a Hospital's ED in need of inpatient behavioral health services, and who need to remain in the Hospital's ED or one of the Hospital's non-psychiatric beds for at least 24 hours while awaiting transfer to an inpatient psychiatric bed (ED-Presenting Psychiatric Member). To be eligible to receive payment, a hospital must:

- Attest to the number of bed days within calendar year 2021 on which an ED-Presenting Psychiatric Member remained in the Hospital's ED or one of the Hospital's non-psychiatric beds while awaiting transfer to an inpatient psychiatric bed, provided that, for purposes of this calculation, the Hospital shall exclude any bed-day(s) in which such Member arrived in the ED and was transferred to an inpatient psychiatric bed within 24 hours of presentation to the ED (Bed Day Attestation).
- Attest to having, and agree that it has, the capacity to provide baseline services (family support and education, screening for substance use disorder, referring members to community-based providers for ongoing care, and observation for those with suicidal or homicidal ideation) to all ED-Presenting Psychiatric Members.
- Self-designate as either a Tier 1 or Tier 2 Provider.
 - Each Tier 1 Provider must attest to having, and agree that it has, the capacity to provide Enhanced Services (mental health or substance use disorder services provided to ED-Presenting Psychiatric Members by any hospital staff, whether employed or contracted, qualified to deliver such services within their scope of practice) to each of its ED-Presenting Psychiatric Members once within 48 hours of such an individual's presentation to the ED, and once every three days thereafter until each such Member transfers to an inpatient psychiatric bed. A Tier 1 Provider will demonstrate the required capacity if at least 90% of its ED-Presenting Psychiatric Members receive at least one Enhanced Service at the frequency set forth above during the period from May 1, 2022, through October 31, 2022.
 - Each Tier 2 Provider must attest to having, and agree that it has, the capacity to provide Enhanced Services to each of its ED-Presenting Psychiatric Members on a daily basis until each such Member transfers to an inpatient psychiatric bed. A

Tier 2 Provider will demonstrate the required capacity if at least 90% of its ED-Presenting Psychiatric Members receive at least one Enhanced Service at the frequency set forth above during the period from May 1, 2022, through October 31, 2022.

- Agree, among other things, that any supplemental payment is subject to recoupment, in whole or in part, if the Hospital fails to comply with any term or condition of payment, or any of the attestations or agreements described above.

EOHHS will calculate each eligible hospital's supplemental payment in accordance with the methodology that follows:

- EOHHS will pay each self-designating Tier 1 Provider \$300 multiplied by half of the number of bed-days identified in the Hospital's Bed Day Attestation.
- EOHHS will pay each self-designating Tier 2 Provider \$500 multiplied by half of the number of bed-days identified in the Hospital's Bed Day Attestation.

All changes to 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 annual aggregate acute hospital state plan expenditures will increase by approximately \$9.7 million as a result of these changes.

Other than as set forth in this Notice, the RY22 acute inpatient and outpatient hospital payment methods described in the Final RY22 Notice remain unchanged. The Final RY22 Notice is available under the heading "Acute Hospital Rate Year 2022 Notices" on the "Special Notices for Acute Hospitals" page of the MassHealth website at <https://www.mass.gov/service-details/special-notices-for-acute-hospitals>. For further information you may also contact Hai Nguyen 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 hai.nguyen@mass.gov.

Statutory Authority: M.G.L. c. 118E; St. 2021, c. 24; St. 2012, c. 224; 42 USC 1396a; 42 USC 1396b.

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

Posted: May 6, 2022