

## **NOTICE OF FINAL AGENCY ACTION**

**SUBJECT:** Payment for Privately Owned Psychiatric Hospital Services Effective May 15, 2024

**AGENCY:** Massachusetts Executive Office of Health and Human Services, MassHealth

### **Summary of Final Action**

Under the provisions of M.G.L. c. 118E, §13A, rates and terms of payment for services by psychiatric hospitals to patients entitled to medical assistance under M.G.L. c. 118E, §1 *et seq.* are established by contract between the MassHealth Program and participating hospitals. This notice describes the methods and standards for the establishment of rates of payment by contract during the Rate Year 2024 (RY24) contract period, effective May 15, 2024, between the Executive Office of Health and Human Services (EOHHS) and participating privately owned psychiatric hospitals licensed by the Department of Mental Health (DMH). The contract does not cover services provided to patients enrolled with the MassHealth behavioral health contractor or with other MassHealth-contracted managed care entities.

### **Description of Amended Methods and Standards: Long-Acting Injectable Antipsychotics**

MassHealth will pay privately owned psychiatric hospitals for long-acting injectable (LAI) antipsychotics administered to MassHealth members in an inpatient psychiatry unit following admission where such LAIs have been identified as an approved Long-Acting Injectable Antipsychotic Administered in Inpatient Psychiatry Units maintained on the MassHealth Drug List. The methods and standards are projected to result in a 0.31% increase in annual aggregate expenditures in RY 2024. The actual change in aggregate expenditures is estimated to be \$114,000 however, it may vary depending on actual utilization of services.

### **Justification**

All changes to hospital payment rates and methods described in this notice conform to state and federal law and are within the range of reasonable payment levels to privately owned psychiatric hospitals.

Except as specified above, MassHealth privately owned psychiatric hospital payment methods remain the same as those previously established for RY2024. All changes to hospital payment rates and methods are in accordance with state and federal law and are within the range of reasonable payment levels to privately owned psychiatric hospitals.

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To request copies of written comments received regarding RY2024 payment methods and rates, contact:

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### **Statutory Authority**

M.G.L. c. 118E; 42 USC 1396 *et seq.*

Related Federal Regulations:  
42 CFR Part 447

**Executive Office of Health and Human Services  
Psychiatric Hospital Services Methods and Standards  
for Rates Effective May 15, 2024**

The following section describe the methods and standards to be used by the EOHHS to establish rates of payment by contract, to be effective May 15, 2024, for services rendered by privately owned psychiatric hospitals licensed by the DMH to patients with appropriate medical needs.

**Description of Methods and Standards**

**Long Acting Injectable (LAI) Antipsychotics**

Payment: MassHealth will pay privately owned psychiatric hospitals for long acting injectable antipsychotics. Administration of such LAIs shall be reimbursable outside of the applicable per diem rates. Hospitals will be reimbursed for LAIs using the definitions, payment rules, and rates as specified in 101 CMR 317.00: *Rates for Medicine Services*.