

NOTICE OF PROPOSED AGENCY ACTION

SUBJECT: MassHealth: Amended Payments for MassHealth Substance Abuse Treatment Hospital Services (Rate Year 2023) RY23, Effective April 1, 2023

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

SUMMARY OF PROPOSED ACTION

Under the provisions of M.G.L. c. 118E, §13A, rates and terms of payment for services rendered by substance abuse treatment hospitals licensed by the Department of Public Health to patients eligible for medical assistance under M.G.L. c. 118E, §1 *et seq.* are established by contract between MassHealth and participating hospitals. This notice describes amended methods and standards for payment by contract during the RY23 contract period, effective April 1, 2023, between EOHHS and participating substance abuse treatment hospitals licensed by the Department of Public Health (DPH). The contract does not cover services provided to patients enrolled with the MassHealth Primary Care Clinician plan's behavioral health contractor, or with other MassHealth-contracted managed care entities. There is currently one facility that meets these criteria: AdCare Substance Abuse Hospital.

DESCRIPTION OF PROPOSED AMENDED METHODS AND STANDARDS

MassHealth proposes to pay substance abuse treatment hospitals a hospital-specific, clinical quality-based incentive payment. The proposed methods and standards are projected to result in a maximum 19.7% increase in annual aggregate expenditures in RY 2023. The actual change in aggregate expenditures is estimated to be \$100,000; however, it may vary depending on quality performance.

JUSTIFICATION

All changes to hospital payment rates and methods described below are in accordance with state and federal law and are within the range of reasonable payment levels to substance abuse treatment hospitals.

Except as specified in this notice, the MassHealth substance abuse treatment hospital payment methods for RY2023 are otherwise unchanged from those set forth in the Notice of Final Agency Action for RY23. The Notice of Final Agency Action for RY23 is available under the heading "Substance Abuse Treatment Hospital Rate Year 2023 Notices" page of the MassHealth website at <https://www.mass.gov/lists/special-notices-for-substance-abuse-treatment-hospitals>.

To request copies of written comments received regarding RY2023 payment methods and rates, contact:

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Or by email: Tracey.Nicolosi@mass.gov

Statutory Authority

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

Related Regulations:
42 CFR Part 447

**EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
SUBSTANCE ABUSE TREATMENT HOSPITAL SERVICES
PROPOSED AMENDED METHODS AND STANDARDS
FOR RATES EFFECTIVE DURING RY23**

The following section describes the amended methods and standards EOHHS will use to establish rates of payment by contract, to be effective during the RY23 contract period, to substance abuse treatment hospitals licensed by DPH.

DESCRIPTION OF AMENDED METHODS AND STANDARDS

Clinical Quality Incentive Payment

Substance abuse treatment hospitals may qualify for clinical quality-based incentive payments. Clinical quality incentive payments will be determined using the following factors:

1. **Benchmarks:** Benchmarks for substance abuse treatment hospitals are calculated using 2021 Northeast Regional HEDIS data for Medicaid recipients to establish a threshold benchmark, a goal benchmark, and an improvement benchmark calculation.
2. **Hospital Achievement:** Performance achievement will be determined by the difference between an individual substance abuse treatment hospital's CY23 performance and their CY22 performance using claims-extracted data for the performance measure. The performance measure for RY23 is Follow-up After High-Intensity Care for Substance Use Disorder (FUI 7 and FUI 30)
3. **Performance Measurement:** Performance for substance abuse treatment hospitals is measured by comparing the substance abuse treatment hospital's achievement to the benchmarks for the measure as follows:
 - a. Attainment Targets: Attainment points (maximum 9) will be awarded for performance achievement of at least the threshold benchmark and less than the goal benchmark on a performance measure. The threshold benchmark attainment points awarded will be proportional to performance achievement. Attainment points (10) will be awarded for performance achievement above the goal benchmark on a performance measure. The maximum number of attainment points available to a substance abuse treatment hospital for RY23 is 10.
 - b. Improvement Target: Improvement points (5) will be awarded for performance achievement demonstrating improvement relative to the improvement threshold for each performance measure. The maximum number of improvement points available to a substance abuse treatment hospital for RY23 is 5. Improvement points may be awarded whether or not the substance abuse treatment hospital attains the threshold or goal benchmarks.
4. **Quality Scoring:** The quality score will be determined by adding the number of points awarded to the substance abuse treatment hospital for attainment and improvement, divided by the maximum number of attainment points (10 points). The resulting quality score represents a ratio value between 0 and 1.00 (inclusive of 0 and 1.00). In cases where the quality score is calculated and yields a score greater than 1.00, the quality score value is capped at 1.00.
5. **Payment:** The maximum amount of payment will be determined by multiplying the substance abuse treatment hospital's overall quality score (0-1.00) to determine the actual amount of payment by \$50,000.

POSTED: March 17, 2023