

Notice of Proposed Agency Action

SUBJECT: MassHealth: Payment for In-State Acute Hospital Services, Effective August 1, 2024

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

EOHHS hereby announces that it will apply new payment methods to acute inpatient and outpatient hospitals and is making technical changes to the rate year 2024 acute hospital payment methods, as described in the rate year 2024 Notice of Final Agency Action published on or around September 30, 2023 (RY24 Notice); the rate year 2024 Notice of Final Agency Action published on or around December 29, 2023 (RY24 Amendment 1 Notice); the rate year 2024 Notice of Final Agency Action published on or around March 29, 2024 (RY24 Amendment 2 Notice); and the rate year 2024 Notice of Final Agency Action published on or around May 8, 2024 (collectively, the RY24 Notices).

Specifically, EOHHS is implementing new supplemental payments for qualifying acute inpatient and outpatient hospitals in the state that require financial support to ensure continued access to essential health services, proposed to be effective prior to September 30, 2024.

EOHHS estimates that annual aggregate expenditures for MassHealth state plan acute inpatient hospital services will increase by up to \$20 million as a result of these changes.

All changes to acute inpatient and outpatient hospital payment methods described in this notice will be paid in accordance with state and federal law and are within the range of reasonable payment levels to acute inpatient and outpatient hospitals.

Except for the changes in this notice, the RY24 acute inpatient and outpatient hospital payment methods described in the RY24 Notice remain unchanged. The RY24 Notice is under the heading “Federal Fiscal Year 2024 Notices” on the “Special Notices for Acute Hospitals” page on the MassHealth website 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 proposed action’s effect on member access to care.

Statutory Authority: M.G.L. c. 118E; St. 2023, c. 28; St. 2012, c. 224; 42 USC 1396a; 42 USC 1396b.

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

Posted: July 22, 2024