

## **Notice of Proposed Agency Action**

**SUBJECT:** MassHealth: Payment for In-State Acute Hospital Services, Effective January 2, 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 in-state acute inpatient and outpatient hospitals and is making technical changes to the rate year 2024 acute inpatient and outpatient hospital payment methods, as described in the rate year 2024 Notice of Final Agency Action published on or around September 30, 2023 (RY24 Notice).

Specifically, EOHHS is making the following update to the payment methods for in-state acute inpatient and outpatient hospitals:

1. Implementing a new per diem rate of \$1,500 for specialty inpatient psychiatric services for eating disorders, resulting in an estimated increase of \$38,000 over current expenditures. Accompanying this new per diem rate are new service specifications for the specialty inpatient psychiatric services for eating disorders.
2. Making the following technical edits, which have no associated fiscal impact:
  - a. adjusting a benchmarking table for the Clinical Quality Incentive program
  - b. clarifying the description for measure slate eligibility and participation for the Hospital Quality and Equity Incentive Program
  - c. clarifying that the rate for initiation of medication for the treatment of opioid use disorder is only applicable in outpatient settings
  - d. correcting the billing code for recovery support navigator services

The change in payment methodology, described in paragraph 1, is in addition to any payment that the qualifying in-state acute hospitals may receive for services rendered to MassHealth members under the acute inpatient and outpatient payment methods described in the RY24 Notice.

All changes to 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 expenditures for MassHealth state plan acute hospital services will increase by approximately \$38,000 as a result of these changes. This amount consists of the amount attributable to paragraph 1.

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 of the MassHealth website: <https://www.mass.gov/service-details/special-notices-for-acute->

[hospitals](#). For further information, or to provide written comments regarding this action, you may also contact Jin Pantano at EOHHS, MassHealth Office of Providers and Pharmacy Programs, 100 Hancock Street, 6th Fl., Quincy, MA 02171 or [AcuteHospitalRFA@mass.gov](mailto: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: December 22, 2023