

NOTICE OF PROPOSED 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 Proposed Action

Under the provisions of M.G.L. c. 118E, §13A, rates and terms of payment for services rendered 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 Proposed Amended Methods and Standards: Long-Acting Injectable Antipsychotics

MassHealth proposes to 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 proposed 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 herein are in accordance with 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 Regulations:
42 CFR Part 447

**EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
PSYCHIATRIC HOSPITAL SERVICES
PROPOSED METHODS AND STANDARDS
FOR RATES EFFECTIVE MAY 15, 2024**

The following sections describe the methods and standards to be used by the Executive Office of Health and Human Services (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 Department of Mental Health (DMH) to patients with appropriate medical needs.

Description of Methods and Standards

Long Acting Injectable (LAI) Antipsychotics

Payment: MassHealth proposes to 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*.