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410.401: Introduction

130 CMR 410.000 establishes the requirements for the provision of services by hospital outpatient departments, hospital-licensed health centers, and other hospital satellite clinics under MassHealth. For the purposes of 130 CMR 410.000, "hospital outpatient department" may also refer to hospital-licensed health centers, and other hospital satellite clinics. MassHealth pays for outpatient hospital visits and ancillary services (such as radiographic views, laboratory tests, medical supplies, and drugs) that are medically necessary and appropriately provided, as defined at 130 CMR 450.204: *Medical Necessity*. The quality of such services must meet professionally recognized standards of care.

410.402: Definitions

The following terms used in 130 CMR 410.000 have the meanings given in 130 CMR 410.402 unless the context clearly requires a different meaning. The reimbursability of services defined in 130 CMR 410.402 is not determined by these definitions, but by application of regulations elsewhere in 130 CMR 410.000, and in 130 CMR 415.000: *Acute Inpatient Hospital Services* and 450.000: *Administrative and Billing Regulations*.

340B-Covered Entities – facilities and programs eligible to purchase discounted drugs through a program established by Section 340B of Public Health Law 102-585, the Veterans Health Act of 1992.

340B Drug- Pricing Program – a program established by Section 340B of Public Health Law 102-585, the Veterans Health Act of 1992, ~~permitting certain grantees of federal agencies access to reduced cost drugs for their patients.~~

Acupuncture – the insertion of metal needles through the skin at certain points on the body, with or without the use of herbs, with or without the application of an electric current, and with or without the application of heat to the needles, skin, or both.

Acute Hospital – a facility that (i) is licensed as a hospital by the Massachusetts Department of Public Health (DPH) under M.G.L. c. 111, §51 (if in-state) or by the governing or licensing agency in its state (if out-of-state); (ii) is Medicare-certified and participates in the Medicare program; (iii) has more than 50% of its beds licensed as medical/surgical, intensive care, coronary care, burn, pediatric (Level I or Level II), pediatric intensive care (Level III), maternal (obstetrics), or neonatal intensive care beds (Level III) as determined by DPH (or if out-of-state, the governing or licensing agency in its state, and as determined by MassHealth) and; (iv) utilizes more than 50% of its beds exclusively as either medical / surgical, intensive care, coronary care, burn, pediatric (Level I or Level II), pediatric intensive care (Level III), maternal (obstetrics), or neonatal intensive care beds (Level III), as determined by MassHealth. An acute hospital is not a chronic disease and rehabilitation hospital or a hospital licensed primarily to provide mental health services, or any unit of a facility that is licensed as a nursing facility, chronic disease unit, or rehabilitation unit.

Acute Inpatient Hospital – an acute hospital that provides diagnosis and treatment on an inpatient basis for patients who have any of a variety of medical conditions requiring daily physician intervention as well as full-time availability of physician services; however, this does not include any chronic disease and rehabilitation hospital, any hospital that is licensed primarily to provide mental health services, or any unit of a facility that is licensed as a nursing facility, chronic disease unit, or a rehabilitation unit.

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Chronic Disease and Rehabilitation Hospital (CDR) – a hospital licensed by the Massachusetts Department of Public Health (DPH) under M.G.L. c.111, §51 (or by the governing or licensing agency in its state (if out-of-state)), with a majority of its beds licensed to provide chronic care services, or comprehensive rehabilitation services, or both, to patients with appropriate medical needs, or that is operated by DPH’s Bureau of Public Health Facilities. This definition includes such a hospital licensed with a pediatric specialty. Hospitals with 50% or more of their beds licensed as medical/surgical, intensive care, coronary care, burn, maternal (obstetrics) and neonatal intensive care beds (Level III) possess acute hospital licensure and do not meet the definition of a chronic disease and rehabilitation hospital.

Cosmetic Surgery – a surgical procedure that is performed for the exclusive purpose of altering appearance and is unrelated to disease or physical defect, or traumatic injury.

Drug – a substance [as defined by the Food, Drug, and Cosmetic Act](#), containing one or more active ingredients in a specified dosage form and strength. Each dosage form and strength is a separate drug.

Emergency Medical Condition – a medical condition, whether physical or mental, manifesting itself by symptoms of sufficient severity, including severe pain, that the absence of prompt medical attention could reasonably be expected by a prudent layperson who possesses an average knowledge of health and medicine, to result in placing the health of the member or another person in serious jeopardy, serious impairment to body function, or serious dysfunction of any body organ or part, or, with respect to a pregnant woman, as further defined in §1867(e)(1)(B) of the Social Security Act, 42 U.S.C. §1395dd(e)(1)(B).

Emergency Services – medical services that are furnished by a provider that is qualified to furnish such services, and are needed to evaluate or stabilize an emergency medical condition.

Family Planning – any medically approved means, including diagnosis, treatment, and related counseling, that assists individuals of childbearing age, including sexually active minors, in determining the number and spacing of their children.

Functional Level – the degree to which an individual can function in the community. Progressive levels of impaired functioning are evaluated using a MassHealth-approved scale that has specific criteria for emotional stability, vocational/educational productivity, social relations, and self-care.

Functional Maintenance Program – a planned combination of social, vocational, and recreational services designed for individuals disabled by a chronic mental illness who need continuing services to maintain skills that allow them to function within the community but who do not require the more intensive care of inpatient or day treatment programs.

Hospital – a facility that is licensed or operated as a hospital by the Massachusetts Department of Public Health or the Massachusetts Department of Mental Health and that provides diagnosis and treatment on an outpatient basis for patients who have any of a variety of medical conditions.

Hospital-licensed Health Center (HLHC) – a hospital satellite clinic that also

- (1) meets all MassHealth requirements for reimbursement as an HLHC as provided in 130 CMR 410.413; and
- (2) is enrolled with the MassHealth agency as a hospital-licensed health center.

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410.468: Participation in the 340B Drug- ~~p~~Pricing Program for Pharmacy Services

(A) Notification of Participation. Except for any high cost drugs that are designated as excluded from coverage for MassHealth members through the 340B Drug-Pricing Program, Aa hospital outpatient department or a hospital-licensed health center that is a 340B-covered entity may provide drugs to MassHealth members through the 340B ~~d~~Drug- ~~p~~Pricing program provided that it notifies the MassHealth agency that the 340B-covered entity is registered and approved by the federal Office of Pharmacy Affairs (OPA). Any designation of a high cost drug for exclusion from coverage for MassHealth members through the 340B Drug-Pricing Program shall occur by provider bulletin or other written issuance from the MassHealth agency, with reasonable notice to providers consistent with state law.

(B) Subcontracting for 340B Outpatient Pharmacy Services.

(1) A hospital outpatient department or hospital-licensed health center that is a 340B-covered entity may contract with a MassHealth pharmacy provider to dispense 340B drugs for the 340B-covered entity's MassHealth patients. All such subcontracts between the 340B-covered entity and a pharmacy provider must be in writing, ensure continuity of care, specify that the hospital pays the pharmacy, specify that such payment constitutes payment in full for 340B drugs provided to MassHealth members, be consistent with all applicable provisions of 130 CMR 406.000: *Pharmacy Services*, and are subject to MassHealth agency approval.

(2) The hospital is legally responsible to MassHealth for the performance of any subcontractor. The hospital must ensure that every pharmacy subcontractor is licensed by the Massachusetts Board of Registration in Pharmacy and is a MassHealth pharmacy provider, and that services are furnished in accordance with MassHealth pharmacy regulations at 130 CMR 406.000: *Pharmacy Services* and all other applicable MassHealth requirements, including but not limited to, those set forth in 130 CMR 450.000: *Administrative and Billing Regulations*.

(C) Termination or Changes in 340B Drug- ~~p~~Pricing Program Participation. A hospital outpatient department or hospital-licensed health center must provide the MassHealth agency 30 days' advance written notice of its intent to discontinue, or change in any way material to the MassHealth agency, the manner in which it provides 340B outpatient drugs for its MassHealth patients.

(D) Payment for 340B Outpatient Pharmacy Services. The MassHealth agency pays the 340B-covered entity for outpatient hospital pharmacy services, whether provided and billed directly or through a subcontractor, at the rates established in 101 CMR 331.00: *Prescribed Drugs*.

(130 CMR 410.469 through 410.470 Reserved)

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410.471: Mental Health Services: Introduction

A mental health program is a comprehensive group of diagnostic and treatment services, as outlined in 130 CMR 410.474, furnished to mentally or emotionally disabled persons and their families under the direction of a licensed psychiatrist. The MassHealth agency pays for mental health services provided in hospital outpatient departments subject to the restrictions and limitations in 130 CMR 410.472 through 410.479.

410.472: Mental Health Services: Noncovered Services

- (A) Nonmedical Services. The MassHealth agency does not pay for nonmedical mental health services. These services include, but are not limited to, the following:
- (1) vocational rehabilitation services;
 - (2) sheltered workshops;
 - (3) educational services;
 - (4) recreational services (play therapy, the use of play activities with a child in an identified treatment setting as an alternative to strictly verbal expression of conflicts and feelings, is not considered a recreational service and is covered);
 - (5) life-enrichment services (ego-enhancing services such as workshops or educational courses provided to functioning persons); and
 - (6) telephone conversations.

(B) Nonmedical Programs. The MassHealth agency does not pay for diagnostic and treatment services that are provided as an integral part of a planned and comprehensive program that is organized to provide primarily nonmedical or other noncovered services. Such programs include alcohol or drug drop-in centers.

(130 CMR 410.473 Reserved)