



Commonwealth of Massachusetts  
Executive Office of Health and Human Services  
Office of Medicaid  
[www.mass.gov/masshealth](http://www.mass.gov/masshealth)

**MassHealth**  
**Psychiatric Hospital Bulletin 25**  
**May 2020**

**TO:** Psychiatric Hospitals Participating in MassHealth

**FROM:** Amanda Cassel Kraft, Acting Medicaid Director

**RE: Financial Support for DMH-Licensed Psychiatric Hospitals in Response to the COVID-19 Pandemic**

### **Background**

MassHealth's mission is to improve the health outcomes of our diverse members and their families by providing access to integrated health care services that sustainably and equitably promote health, well-being, independence and quality of life. In support of that mission, MassHealth provides broad coverage of medically necessary health care services to its members. MassHealth partners with a wide variety of service providers, including vital safety net providers, in order to offer its members access.

In light of the 2019 novel Coronavirus (COVID-19) outbreak, and to address the increased costs associated with the COVID-19 response, MassHealth will provide financial support to Department of Mental Health (DMH)-licensed inpatient psychiatric hospitals meeting specific eligibility criteria. As further described in this bulletin, this financial support will take the form of a temporary incremental rate increase to the inpatient per diem rate under the Rate Year 2020 Psychiatric Hospital Request for Applications (RFA) and Contract, and a supplemental payment.

### **Background: Department of Mental Health (DMH) Infection Control Competencies / Standards and Facility Tiering**

On May 21, 2020, the Department of Mental Health (DMH) posted DMH Bulletin 20-05: COVID-19 Infection Control and Other Requirements in Response to the COVID-19 Pandemic. DMH Bulletin 20-05 includes Infection Control Competencies / Standards, which establish consistent infection control practices and consistent practices for the admission and treatment of patients whose status regarding infection with COVID-19 is either pending test results, presumed positive, or confirmed positive. DMH will maintain a list of Tier 1 and Tier 2 facilities who have been determined to meet requirements, as outlined by DMH.

Tier 1 establishes baseline infection control standards with which all DMH-licensed facilities are expected to comply. Tier 2 establishes infection control standards and guidelines for DMH-licensed facilities that have the capacity to admit and provide ongoing management for patients who are confirmed to be infected with COVID-19. All DMH licensed inpatient psychiatric facilities are expected to attest to meeting either Tier 1 or Tier 2 guidelines, and meet additional requirements as outlined by DMH.

### **Temporary Incremental Inpatient Per Diem Rate Increase**

Based on a psychiatric hospital's designation by DMH and compliance with other requirements detailed in this bulletin and to be set forth in an upcoming amendment to the Rate Year 2020

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Psychiatric Hospital Request for Applications (RFA) and Contract, as amended, MassHealth will increase the inpatient per diem rate set forth in the RFA as follows:

<b>Tier</b>	<b>Incremental payment increases for inpatient per diem rate</b>
Tier 1	\$94 above current inpatient per diem rate
Tier 2	\$188 above current inpatient per diem rate

**Effective Date for Temporary Incremental Inpatient Per Diem Rate Increase**

Subject to all eligibility criteria set forth in this bulletin and to be set forth in the forthcoming amendment to the RFA, the effective date of the temporary incremental rate increases described in this bulletin will vary by hospital. Any temporary incremental rate increase pursuant to this bulletin and the forthcoming amendment to the RFA will be effective for dates of service on or after the later of May 27, 2020, or the date that a Psychiatric Hospital meets DMH attestation requirements, as determined by DMH.

MassHealth will notify each hospital of the effective date of its temporary incremental rate increase, if any.

All temporary incremental rate increases to the inpatient per diem rate described in this bulletin will be in effect through July 31, 2020. Beginning with dates of service on August 1, 2020, the inpatient per diem rate will revert to the rate currently set forth in the RFA.

**Additional Requirements for Temporary Rate Increases**

MassHealth will be posting an amendment to the RFA in the coming weeks. Hospitals must return an executed copy of the upcoming amendment to the RFA, along with any additional documentation required therein, to be eligible for the temporary incremental increase to the inpatient per diem, if any.

To be eligible for the temporary incremental rate increases described in this bulletin, in addition to all other applicable requirements, a Psychiatric Hospital must:

- Be designated as either Tier 1 or Tier 2 by DMH;
- Comply with all DMH requirements, including but not limited to DMH’s Infection Control Competencies / Standards;
- Meet all COVID-19 reporting metrics as required by DMH in a timely manner;
- Agree to complete facility-wide COVID-19 testing of all staff and patients in the event DMH determines such testing to be necessary;
- Not close a pediatric or geriatric psychiatric unit without prior approval from DMH;

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- Comply with the DMH No Reject policy, as updated in DMH Bulletin 20-04: COVID-19 Pandemic Guidance;
- Submit an executed copy of the forthcoming amendment to the RFA, along with any additional documentation required therein; and
- Comply with the requirements outlined in this bulletin and the forthcoming amendment to the RFA.

To be eligible for Tier 2 payments, in addition to all other applicable requirements, a Psychiatric Hospital must:

- Accept otherwise appropriate patients confirmed to be infected with COVID-19 from outside the facility's own medical system;
- Actively work with Tier 1 facilities to accept patients currently admitted to those facilities that are confirmed to be infected with COVID-19; and
- Partner with the Commonwealth to flex the hospital's capacity to accept patients who are infected with COVID-19 as needed.

Additional reporting requirements will be outlined in the RFA.

### **Supplemental Payment**

Hospitals meeting the following eligibility criteria (as will be set forth in the upcoming amendment to the RFA) will also be eligible for a one-time supplemental payment:

- The hospital attests to meeting Tier 1 or Tier 2 guidelines and the other requirements as outlined by DMH in DMH Bulletin 20-05: COVID-19 Infection Control and Other Requirements in Response to the COVID-19 Pandemic by May 27, 2020, at 11:59 p.m., as determined by DMH;
- The hospital's attestation and supporting documentation is accepted by DMH;
- The hospital is designated Tier 1 or Tier 2 by DMH;
- The hospital returns an executed copy of the upcoming amendment to the RFA, along with any additional documentation required therein; and
- The hospital complies with the requirements outlined in this bulletin and the forthcoming amendment to the RFA, as determined by MassHealth.

The methodology for determining the supplemental payment amount will be set forth in the upcoming amendment to the RFA. The same methodology will apply to all hospitals that meet the criteria set forth above, regardless of whether DMH designates the hospital as Tier 1 or Tier 2. Hospitals that do not meet the criteria set forth above, including those failing to attest to meeting Tier 1 or Tier 2 guidelines or other requirements as outlined by DMH by May 27, 2020, at 11:59 p.m., will not be eligible for this supplemental payment.

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**Additional Conditions of Payment and Overpayments**

MassHealth will not implement any rate increase or issue any payment described in this bulletin to a Psychiatric Hospital until that hospital returns an executed copy of the upcoming amendment to the RFA, along with any additional documentation required therein. If a hospital is found to be out of compliance with any of the above conditions, or any other term or condition of the RFA, MassHealth may recover payment in accordance with applicable regulations and contracts, and may direct its managed care entities to do the same.

**MassHealth Website**

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**Questions**

If you have any questions about the information in this bulletin, please contact the MassHealth Customer Service Center at (800) 841-2900, email your inquiry to [providersupport@mahealth.net](mailto:providersupport@mahealth.net), or fax your inquiry to (617) 988-8974