



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
www.mass.gov/masshealth

MassHealth
Psychiatric Inpatient Hospital
Bulletin 26
August 2020

TO: Psychiatric Inpatient Hospitals Participating in MassHealth

FROM: Amanda Cassel Kraft, Acting Medicaid Director

RE: Limited Modification and Extension of Financial Support for Certain 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.

As described in greater detail in Psychiatric Hospital Bulletin 25, in light of the 2019 novel Coronavirus (COVID-19) outbreak, and to address the increased costs associated with the COVID-19 response, MassHealth has provided time-limited financial support to Department of Mental Health (DMH)-licensed inpatient psychiatric hospitals meeting specific eligibility criteria. As further described in this bulletin, MassHealth will modify and extend some of the financial support described in Psychiatric Hospital Bulletin 25 by implementing temporary incremental increases to the inpatient per diem and administratively necessary day rates for DMH-licensed psychiatric hospitals who have received Tier 2 designation by DMH. For the avoidance of doubt, psychiatric hospitals designated as Tier 1 by DMH will not receive temporary incremental rate increases pursuant to this bulletin—MassHealth will reimburse such Hospitals in accordance with the Rate Year 2020 Psychiatric Hospital Request for Applications (RFA) and Contract.

Modification and Extension of Temporary Incremental Inpatient per Diem and Administratively Necessary Day Rate Increases for Tier 2 Facilities

Based on a psychiatric hospital’s designation as a Tier 2 facility by DMH and compliance with other requirements detailed in this bulletin and set forth in an upcoming amendment to the RFA, MassHealth will increase the inpatient per diem and administratively necessary day rates set forth in the RFA as follows.

Tier	Temporary incremental payment increases for inpatient per diem and administratively necessary day rates
Tier 2	\$94 above current inpatient per diem for admissions to a Tier 2 psychiatric hospital; \$94 above current administratively necessary day rates for members discharged to administratively necessary day status following an admission to a Tier 2 psychiatric hospital.

**MassHealth
Psychiatric Inpatient Hospital
Bulletin 26
August 2020
Page 2 of 3**

Effective Date for Temporary Incremental Inpatient per Diem and Administratively Necessary Day Rate Increase

All temporary incremental rate increases described in this bulletin will be effective for dates of service from August 1, 2020, through September 30, 2020. MassHealth anticipates extending this rate increase through October 31, 2020, under the Rate Year 2021 Psychiatric Hospital RFA and Contract.

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 rate increases described in this bulletin.

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 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;
- 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;
- comply with the requirements outlined in this bulletin and the forthcoming amendment to the RFA;
- 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.

**MassHealth
Psychiatric Inpatient Hospital
Bulletin 26
August 2020
Page 3 of 3**

Additional Conditions of Payment and Overpayments

If a psychiatric 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, or fax your inquiry to (617) 988-8974.