

Notice of Final Agency Action

SUBJECT: MassHealth: Payment for In-State Acute Hospital Services and Out-of-State Acute Hospital Services, effective October 1, 2019

AGENCY: Massachusetts Executive Office of Health and Human Services, Office of Medicaid (EOHHS)

The MassHealth fee-for-service rates and payment methods for acute inpatient and outpatient hospital services, and the interim rates for in-state critical access hospitals (CAHs), as described in the MassHealth Notice of Final Agency Action, effective November 1, 2018 (published on or about October 29, 2018), will remain in effect during federal fiscal year 2020 (FFY20) until further notice, with certain exceptions. For the FFY20 period, EOHHS will also make certain state plan supplemental payments to qualifying in-state acute hospitals, such as qualifying High Public Payer Hospitals, Essential MassHealth Hospitals, Acute Hospitals with High Medicaid Discharges, the High Medicaid Volume Freestanding Pediatric Acute Hospital, and the High Medicaid Volume Safety Net Hospital, and will have an in-state acute inpatient hospital pay-for-performance incentive program. For the FFY20 period, final payment to in-state CAHs using the CAH payment methodology for both inpatient and outpatient services will be based on a post-FFY20 reconciliation of FFY20 allowable costs and interim payments. EOHHS currently projects that this extension and the other updates described above will not result in a change in estimated annual aggregate expenditures. The acute hospital rates and 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. A complete description of the MassHealth Rate Year (RY) 2019 acute hospital rates and payment methods, and all other required information, is available under the heading “Acute Hospital Rate Year 2019 Notices” on the “Special Notices for Acute Hospitals” page of the MassHealth website at <https://www.mass.gov/service-details/special-notices-for-acute-hospitals>. For further information, you may also contact Steven Sauter at the Executive Office of Health and Human Services, MassHealth Office of Providers and Pharmacy Programs, 100 Hancock Street, 6th Floor, Quincy, MA 02171 or at steven.sauter@state.ma.us.

Statutory Authority: M.G.L. c. 118E; St. 2018, c. 154; St. 2012, c. 224; 42 USC 1396a; 42 USC 1396b.

Related Regulations: 130 CMR 410, 415, 450; 42 CFR Parts 431 and 447.