

Table of Contents

State/Territory Name: Massachusetts

State Plan Amendment (SPA) #: 13-011

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2275
Boston, Massachusetts 02203



Division of Medicaid and Children's Health Operations / Boston Regional Office

November 18, 2014

John Polanowicz, Secretary
Executive Office of Health and Human Services
One Ashburton Place, Room 1109
Boston, Massachusetts 02108

Dear Mr. Polanowicz:

We are pleased to enclose a copy of approved Massachusetts State Plan Amendment (SPA) No. 13-011 submitted to CMS on June 28, 2013. This SPA was submitted to revise your approved Title XIX State plan to update the outpatient payment methodologies for out-of-state acute hospital services. This SPA has been approved effective June 20, 2013.

Enclosed are copies of the following State plan pages to be incorporated within your approved State plan.

- Attachment 4.19-B (1), pages 1 and 1a.

If you have any questions regarding this matter you may contact Julie McCarthy at (617) 565-1244 or by e-mail at Julie.McCarthy@cms.hhs.gov.

Sincerely,

/s/

Richard R. McGreal
Associate Regional Administrator

Enclosure/s

cc: Kristin Thorn, Medicaid Director
Michael Coleman, State Plan Coordinator

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER: 013-011	2. STATE MA
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE 06/20/13	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)		
6. FEDERAL STATUTE/REGULATION CITATION: 42 USC 1396a; 42 CFR Parts 431 and 447	7. FEDERAL BUDGET IMPACT: a. FFY13 \$36,000 b. FFY14 \$36,000	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B (1) pp 1, 7 la (new)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same Attachment 4.19 B (1) page 1	
10. SUBJECT OF AMENDMENT: Out of State Acute Outpatient Hospital Services		
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Not required under <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL 42 CMR 430.12(b)(2)(ii)		
12. SIGNATURE OF STATE AGENCY OFFICIAL: /s/	16. RETURN TO: Michael P. Coleman State Plan Coordinator Office of Medicaid Executive Office of Health and Human Services One Ashburton Place, 11th Floor Boston, MA 02108	
13. TYPED NAME: John Polanowicz		
14. TITLE: Secretary		
15. DATE SUBMITTED: 06/28/13		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED: 06/28/2013	18. DATE APPROVED: 11/18/2014	
PLAN APPROVED - ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: 06/20/2013	20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Richard R. McGreal	22. TITLE: Associate Regional Administrator, Division of Medicaid & Children's Health Operations, Boston, MA	
23. REMARKS:		

State Plan Under Title XIX of the Social Security Act
State: Massachusetts
Methods Used to Determine Rates of Payment for Acute Outpatient Hospital Services
Portion of Rate Year 2013 from January 1, 2013 to September 30, 2013

I. Introduction

A. Overview

This attachment describes methods used to determine rates of payment for acute outpatient hospital services for the portion of RY13 from January 1, 2013 through September 30, 2013. (See TN-012-014 for the RY13 period from October 1, 2012 through December 31, 2012).

1. Except as provided in subsections 2 and 3, below, for dates of service in RY13 beginning January 1, 2013, in-state Hospitals will be paid in accordance with this Attachment for Outpatient Services provided at Hospital Outpatient Departments, and at those Hospital-Licensed Health Centers (HLHCs) and other Satellite Clinics that are provider-based in accordance with 42 CFR 413.65.
2. In-state Critical Access Hospitals will be paid in accordance with the methods set forth in **Exhibit 1**, which is attached hereto and incorporated by reference into this Attachment, for dates of service in RY13 beginning November 1, 2012 through April 30, 2013. (See TN-012-014 for the RY13 period November 1, 2012 through December 31, 2012). For dates of service beginning May 1, 2013 during RY13, payment to Critical Access Hospitals is specified in this **Attachment 4.19-B(1)**, and **Exhibit 1** does not apply.
3. For dates of service in RY13 beginning January 1, 2013 through September 30, 2013, the following two newly-enrolled in-state Hospitals will be paid in accordance with the methods set forth in **Exhibit 2**, which is attached hereto and incorporated by reference into this Attachment: (i) The Shriners' Hospital for Children (Boston, MA) and (ii) The Shriners' Hospital for Children (Springfield, MA) (the "Shriners Hospitals").
4. The supplemental payments specified in **Section III.F** apply to dates of service from October 1, 2012 through September 30, 2013. The other Acute Hospital payment methods that apply during this time period are the methods under the remainder of Attachment 4.19-B(1) in effect for the portion of Rate Year 2013 beginning October 1, 2012 through December 31, 2012 (TN-012-014), and for the portion of Rate Year 2013 beginning January 1, 2013 through September 30, 2013 (TN-013-003).
5. In-state Acute Hospitals are defined in **Section II**.
6. Effective June 20, 2013, out-of-state acute outpatient hospitals are paid for acute outpatient hospital services as follows:
 - a. Except as provided in **subsection 6.b.**, below, all out-of-state acute outpatient hospitals are paid a payment per episode of care equal to the median Payment Amount Per Episode (PAPE) in effect for in-state acute hospitals for PAPE-covered services, and in accordance with the applicable MassHealth fee schedule for services for which in-state acute hospitals are not paid a PAPE.

State Plan Under Title XIX of the Social Security Act

State: Massachusetts

Methods Used to Determine Rates of Payment for Acute Outpatient Hospital Services

Portion of Rate Year 2013 from January 1, 2013 to September 30, 2013

b. If an inpatient service payable by MassHealth is not available in-state, payment for the related acute hospital outpatient services will be made at the rate of payment established for the medical service under the other state's Medicaid program (or equivalent), or such other rate as MassHealth determines necessary to ensure member access to services. This provision does not apply to "High MassHealth Volume and Casemix Hospitals", which are defined as any out-of-state acute hospital that, during the prior federal fiscal year, had at least 150 MassHealth discharges and an inpatient case mix index (CMI) higher than the average in-state acute hospital inpatient CMI.

c. The payment methods in this **Section I.A.6.** are the same for private and governmental providers.