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State/Territory Name: Massachusetts

State Plan Amendment (SPA) #: 15-004

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

January 17, 2017

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

Dear Secretary Sudders:

We are pleased to enclose a copy of approved Massachusetts State Plan Amendment (SPA) No. 15-004, which was submitted to my office on March 31, 2015. This SPA was submitted to revise your approved Title XIX State plan to update the payment methodology for out-of-state chronic disease or rehabilitation hospital outpatient services. This SPA has been approved effective January 2, 2015.

Enclosed is a copy of the following approved State plan page:

- Attachment 4.19-B(2), page 3a.

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: Daniel Tsai, Assistant Secretary for MassHealth, Medicaid Director
Kaela Konefal, Federal Authority Policy Analyst/State Plan Coordinator

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: <div style="text-align: center;">015-004</div>	2. STATE <div style="text-align: center;">MA</div>
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
		4. PROPOSED EFFECTIVE DATE <div style="text-align: center;">January 2, 2015</div>	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT </div> <div style="text-align: center; font-size: small;">COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)</div>			
6. FEDERAL STATUTE/REGULATION CITATION: <div style="text-align: center;">42 CFR 447.300, 42 CFR 447.302 and 42 CFR 447.321</div>		7. FEDERAL BUDGET IMPACT: <div style="display: flex; justify-content: flex-end;"> <div style="text-align: right; font-size: small;"> a. FFY 2015 \$ 535,000 b. FFY 2016 \$ 960,000 </div> </div>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <div style="text-align: center;">Attachment 4.19-B (2), page 3a (new)</div>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): <div style="text-align: center;">N/A</div>	
10. SUBJECT OF AMENDMENT: <div style="text-align: center;">Out of State Chronic Disease and Rehabilitation Outpatient Hospital Services.</div>			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL </div> <div style="width: 35%;"> <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <div style="text-align: center; font-size: small;"> Not required under 42 CFR 430.12(b)(2)(i) </div> </div> </div>			
12. SIGNATURE OF STATE AGENCY OFFICIAL: <div style="text-align: center; font-size: small;">/s/</div>		16. RETURN TO: <div style="text-align: center;"> Michael P. Coleman State Plan Coordinator Office of Medicaid Executive Office of Health and Human Services One Ashburton Place, 11th Floor Boston, MA 02108 </div>	
13. TYPED NAME: <div style="text-align: center;">Marylou Sudders</div>			
14. TITLE: <div style="text-align: center;">Secretary</div>			
15. DATE SUBMITTED: <div style="text-align: center;">03/31/15</div>			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 03/31/2015		18. DATE APPROVED: 01/17/2017	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/02/2015		20. SIGNATURE OF REGIONAL OFFICIAL: <div style="text-align: center; font-size: small;">/s/</div>	
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 for Establishing Payment Rates Chronic Disease
and Rehabilitation Outpatient Hospital Services

OFFICIAL

7. This **Section III.B.7** describes the outpatient payment methods for payments made to out-of-state chronic disease or rehabilitation hospitals and to such hospitals with both out-of-state inpatient facilities and in-state outpatient facilities.
- a. Except as described below in **b.**, payment to an out-of-state chronic disease or rehabilitation hospital for any Outpatient Service payable by the MassHealth agency is the lowest of:
 - i. The rate of payment established for the medical service under the other state's Medicaid program;
 - ii. The MassHealth rate of payment established for such medical service or comparable medical service in Massachusetts; or
 - iii. The MassHealth rate of payment established for a comparable provider in Massachusetts.
 - b. Payment to a chronic disease or rehabilitation hospital with both out-of-state inpatient facilities and in-state outpatient facilities, for any Outpatient Service payable by MassHealth is made:
 - i. For Outpatient Services provided out-of-state, in accordance with the methodology set forth at **Section III.B.7.a.**
 - ii. For Outpatient Services provided in-state, the median of the in-state Outpatient Cost-to-Charge Ratio calculated from all Hospitals.