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State/Territory Name: Massachusetts

State Plan Amendment (SPA) #: 21-0011

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

Center for Medicaid & CHIP Services

233 North Michigan Ave., Suite 600

Chicago, Illinois 60601



Financial Management Group

June 14, 2021

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

RE: Massachusetts State Plan Amendment (SPA) Transmittal Number 21-0011

Dear Secretary Sudders:

We have reviewed the proposed Massachusetts State Plan Amendment (SPA) to Attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 31, 2021. This plan amendment updated the methods and standards used by Massachusetts to set payment rates for acute outpatient hospital services.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 22, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact James Moreth at 206-615-2043 or James.Moreth@cms.hhs.gov.

Sincerely,

A black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER	2. STATE
		21 - 011	MA
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
		4. PROPOSED EFFECTIVE DATE 01/22/21	
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		7. FEDERAL BUDGET IMPACT	
42 USC 1396a(a)(13); 42 CFR Part 447; 42 CFR 440.10		a. FFY 21 \$ 63,984	
		b. FFY 22 \$ 63,984	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)	
Attachment 4.19-B(1) page 35		Attachment 4.19-B(1) page 35	
10. SUBJECT OF AMENDMENT			
An amendment regarding Acute Outpatient Hospital Services			
11. GOVERNOR'S REVIEW (Check One)			
<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		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED Not required under 42 CFR 430.12(b)(2)(i)	
12. SIGNATURE OF STATE AGENCY OFFICIAL		16. RETURN TO The Commonwealth of Massachusetts Executive Office of Health and Human Services Office of Medicaid One Ashburton Place, Room 1109 Boston, MA 02108	
13. TYPED NAME Marylou Sudders			
14. TITLE Secretary			
15. DATE SUBMITTED 03/31/21			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED March 31, 2021		18. DATE APPROVED June 14, 2021	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL January 22, 2021		20. SIGNATURE OF REGIONAL OFFICIAL	
21. TYPED NAME Todd McMillion		22. TITLE Director, Division of Reimbursement Review	
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

4. High Medicaid Volume Safety Net Hospital HLHC Supplemental Payment

In order to qualify for a High Medicaid Volume Safety Net Hospital HLHC supplemental payment, a Hospital must be a High Medicaid Volume Safety Net Hospital that operates an HLHC that experienced a volume of at least 75,000 outpatient episodes in FY18, as determined by EOHHS through a review of MMIS claims (“Qualifying HLHC”). Based on these criteria, Boston Medical Center is the only hospital eligible for this payment.

Subject to compliance with all applicable federal statutes, regulations, state plan and waiver provisions, payment limits, and full federal financial participation, EOHHS will make \$2.1 million in total aggregate supplemental payments to Hospitals that qualify for this payment pursuant to the preceding paragraph, divided equally among all qualifying Hospitals, provided that each such Hospital agrees to spend such funds solely for the benefit of its Qualifying HLHC. The payment amount will be specified in an agreement between EOHHS and each qualifying Hospital.

II. [Reserved]

III. Other Provisions

A. Federal Limits

If any portion of the payment methodology is not approved by CMS or is in excess of applicable federal limits, EOHHS may recoup any payment made to a Hospital in excess of the approved methodology. Any such recovery shall be proportionately allocated among affected hospitals. Any FFP associated with such overpayments will be returned to CMS.

B. Future Rate Years

Adjustments may be made each Rate Year to update rates and shall be made in accordance with the Hospital RFA and Contract in effect on that date.

C. New Hospitals/Hospital Change of Ownership

For any newly participating Hospital, or any Hospital which is party to a merger, sale of assets, or other transaction involving the identity, licensure, ownership or operation of the Hospital during the effective period of the state plan, EOHHS, in its sole discretion, shall determine, on a case-by-case basis (1) whether the Hospital qualifies for payment under the state plan, and, if so, (2) the appropriate rates of payment. Such rates of payment shall be determined in accordance with the provisions of the state plan to the extent EOHHS deems possible. EOHHS’s determination shall be based on the totality of the circumstances. Any such rate may, in EOHHS’s sole discretion, affect computation of the statewide average or statewide standard payment amount and/or any efficiency standard.