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State/Territory Name: MA

State Plan Amendment (SPA) #: 22-0023

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

September 14, 2022

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

RE: Massachusetts State Plan Amendment (SPA) Transmittal Number 22-0023

Dear Secretary Sudders:

We have reviewed the proposed State Plan Amendment (SPA) to Attachment 4.19-B of Massachusetts's state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 30th, 2022. This plan amendment adds a supplemental payment for qualifying acute outpatient hospitals.

Based upon the information provided by the State, we have approved the amendment with an effective date of May 7th, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

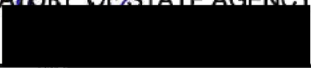
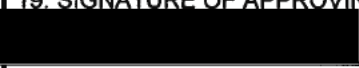
If you have any additional questions or need further assistance, please contact Jerica Bennett at 1-410-786-1167 or jerica.bennett@cms.hhs.gov.

Sincerely,



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 <u>2</u> <u>2</u> — <u>0</u> <u>0</u> <u>2</u> <u>3</u>	2. STATE <u>MA</u>
		3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE 04/01/2022 05/07/2022	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 447		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a FFY 22 \$ <u>6,598,761</u> b FFY 23 \$ <u>0</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B(1) pp. 36-41		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B(1) pp. 36-37	
9. SUBJECT OF AMENDMENT An amendment regarding acute outpatient hospital payment methodologies			
10. 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)	
11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO Commonwealth of Massachusetts Executive Office of Health and Human Services Office of Medicaid One Ashburton Place, Room 1109 Boston, MA 02108	
12. TYPED NAME Marylou Sudders			
13. TITLE Secretary			
14. DATE SUBMITTED 06/30/2022			
FOR CMS USE ONLY			
16. DATE RECEIVED 06/30/22		17. DATE APPROVED September 14, 2022	
PLAN APPROVED - ONE COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL May 7th, 2022		19. SIGNATURE OF APPROVING OFFICIAL 	
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion		21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review	
22. REMARKS Pen and Ink Change-09/09/2022-CMS updated the effective date in Box 4 to reflect the correct date-J. Bennett			

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2. 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.

3. Supplemental Payment to Promote Hospital Capacity to Provide Enhanced ED Psychiatric Services

a. Definitions

For purposes of this Section III.F.5, the following terms shall have the following meanings:

1. Community-Based Acute Treatment (CBAT) – 24-hour-per-day, seven-day-per-week, staff-secure treatment settings for children/adolescents up to the age of 18 with serious behavioral health disorders that provide short-term crisis stabilization, therapeutic intervention, and specialized programming.
2. ED-Presenting Psychiatric Member – A Member who presents to a Hospital’s ED in need of Inpatient Behavioral Health (BH) Services (including CBAT services), and needs to remain in the Hospital’s ED or one of the Hospital’s non-psychiatric beds for at least 24 hours while awaiting transfer to an Inpatient BH Bed (whether located in that Hospital, another acute hospital, a psychiatric inpatient hospital, or a CBAT unit).
3. Inpatient BH Bed – A DMH-Licensed Bed located in an acute hospital, a bed located in a DMH-licensed psychiatric inpatient hospital, or a bed located in a CBAT unit.
4. Baseline Services – The following services:
 - a. Family support and education.

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- b. Screening for substance use disorder (i.e., Screening, Brief Intervention, and Referral to Treatment), including medication-assisted treatment initiation when appropriate.
 - c. Referring members to community-based providers for ongoing care after discharge, as necessary.
 - d. Observation for those with suicidal ideation and/or homicidal ideation.
5. Tier 1 Provider – A Hospital that attests pursuant to Section III.F.5.b.1 that it has the capacity to provide Enhanced Services to each of its ED-Presenting Psychiatric Members according to the Tier 1 requirements during the period between May 1, 2022, and October 31, 2022.
6. Tier 2 Provider – A Hospital that attests pursuant to Section III.F.5.b.1 that it has the capacity to provide Enhanced Services to each of its ED-Presenting Psychiatric Members according to the Tier 2 requirements during the period between May 1, 2022, and October 31, 2022.
7. Enhanced Services – Mental health or substance use disorder services provided to ED-Presenting Psychiatric Members by any hospital staff, whether employed or contracted, who is qualified to deliver such services within their scope of practice. Such services may be provided to assess such individual’s mental status or consult on a member’s behavioral health needs, including proper medications, with the Hospital’s medical staff. Such services may include, as clinically indicated:
 - a. Medication evaluation.
 - b. Medication management.
 - c. Stabilization interventions (e.g., solution-focused therapy, de-escalation strategies, peer supports, etc.).
 - d. Specific services for children that may include:
 - i. Applied Behavior Analysis: A service that focuses on the analysis, design, implementation, and evaluation of social and other environmental modifications to produce meaningful changes in human behavior. This service provides for the performance of behavioral assessments; interpretation of behavior analytic data; development of a highly specific treatment plan; supervision and coordination of interventions; and training other interveners to address specific

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objectives or performance goals in order to treat challenging behaviors that interfere with a youth's successful functioning.

- ii. Family Therapy: the psychotherapeutic treatment of more than one member of a family simultaneously in the same visit.
- e. Group therapy: the application of psychotherapeutic or counseling techniques to a group of persons, most of whom are not related by blood, marriage, or legal guardianship.
- f. Partial Hospitalization Program interventions (either in person or via telehealth). These services offer short-term day mental health programming available seven days per week, as an alternative to inpatient hospital services. These services include daily psychiatric management.

b. Eligibility Criteria

A Hospital is eligible for a Supplemental Payment to Promote Hospital Capacity to Provide Enhanced ED Psychiatric Services if the Hospital:

- 1. Attests, in a form and format to be prescribed by EOHHS:
 - a. To the number of bed days within calendar year 2021 (CY21) on which an ED-Presenting Psychiatric Member remained in the Hospital's ED or one of the Hospital's non-psychiatric beds while awaiting transfer to an Inpatient BH Bed, even if such Member was ultimately discharged without being admitted to an Inpatient BH Bed, provided that, for purposes of this calculation, the Hospital shall exclude any bed-day(s) in which such Member arrived in the ED and was either discharged within 24 hours of presentation to the ED or transferred to an Inpatient BH Bed within 24 hours of presentation to the ED;
 - b. That the hospital has the capacity to provide Baseline Services to all ED-Presenting Psychiatric Members; and
 - c. That the hospital is self-designating during the period from May 1, 2022, through October 31, 2022, as either a Tier 1 Provider or a Tier 2 Provider.
 - i. By self-designating as a Tier 1 Provider, the Hospital must attest that it has the capacity to provide at least one of the Enhanced Services to each of its of its ED-Presenting Psychiatric Members, once within 48 hours of each such Member's presentation to the hospital's ED, and then at least once every 3 days thereafter until each such Member transfers to an Inpatient BH Bed or is discharged without being admitted to an Inpatient BH Bed.

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- ii. By self-designating as a Tier 2 Provider, the Hospital must attest that it has the capacity to provide at least one of the Enhanced Services each day to each of its ED-Presenting Psychiatric Members until each such Member transfers to an Inpatient BH Bed or is discharged without being admitted to an Inpatient BH Bed.
2. Enters into a separate payment agreement with EOHHS relating to receipt of such payment. Among other things, such Hospital must agree:
- a. Regardless of its designation as either a Tier 1 Provider or a Tier 2 Provider, that it has the capacity to provide Baseline Services to all ED-Presenting Psychiatric Members.
 - b. If self-designating as a Tier 1 Provider, that the hospital has the capacity to provide Enhanced Services to each of its ED-Presenting Psychiatric Members as described in Section III.F.5.b.1.c.i. For purposes of this Section III.F.5.b.2.b, a Tier 1 Provider has the required capacity if at least 90% of ED-Presenting Psychiatric Members receive at least one Enhanced Service at the frequencies set forth above during the period from May 1, 2022, through October 31, 2022.
 - c. If self-designating as a Tier 2 Provider, that the hospital has the capacity to provide Enhanced Services to each of its ED-Presenting Psychiatric Members as described in Section III.F.5.b.1.c.ii. For purposes of this Section III.F.5.b.2.c, a Tier 2 Provider has the required capacity if at least 90% of ED-Presenting Psychiatric Members receive at least one Enhanced Service at the frequency set forth above during the period from May 1, 2022, through October 31, 2022.
 - d. That any supplemental payments made pursuant to this Section III.F.5 are subject to recoupment, in whole or in part, if the Hospital fails to comply with any terms, conditions, or agreements described in this Section III.F.5.

c. Methodology

Subject to applicable federal rules and payment limits, EOHHS will make a supplemental payment to each Hospital that qualifies for payment pursuant to Section III.F.5.b, in accordance with the methodology that follows. EOHHS will pay each self-designating Tier 1 Provider \$300 multiplied by half of the number of bed-days identified in the Hospital's attestation pursuant to Section III.F.5.b.1.a. EOHHS will pay each self-designating Tier 2 Provider \$500 multiplied by half of the number of bed-days identified in the Hospital's attestation pursuant to Section III.F.5.b.1.a.

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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.

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D. Data Sources

If data sources specified in this Attachment are not available, or if other factors do not permit precise conformity with the provisions of this Attachment, EOHHS shall select such substitute data sources or other methodology(ies) that EOHHS deems appropriate in determining Hospitals' rates.