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State/Territory Name: MA

State Plan Amendment (SPA) #: 12-006

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
7500 Security Boulevard, M/S S3-13-15
Baltimore, MD 21244-1850



Center for Medicaid and CHIP Services (CMCS)

Dr. Judy Ann Bigby, Secretary
Executive Office of Health and Human Services
State of Massachusetts
One Ashburton Place
Boston, MA 02108

SEP 21 2012

RE: TN 12-006

Dear Dr. Bigby:

We have reviewed the proposed amendment to Attachments 4.19-A, of your Medicaid State plan submitted under transmittal number (TN) 12-006. This amendment changes the payment method for out-of-state acute inpatient hospital services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447. We are pleased to inform you that Medicaid State plan amendment 12-006 is approved effective May 25, 2012. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Novena James-Hailey at (617) 565-1291.

Sincerely,

Cindy Mann
Director (CMCS)

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 012-006	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 05/25/12	
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. FFY12 \$ (0.77M) b. FFY13 \$ (2.2M)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A (1) page 1 and page 1a (new)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-A (1) page 1	
10. SUBJECT OF AMENDMENT: Out of State Acute Inpatient 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: A / n		16. RETURN TO: Michael P. Coleman State Plan Coordinator Office of Medicaid Executive Office of Health and Human Services One Ashburton Place, 11 th Floor Boston, MA 02108	
13. TYPED NAME: JudyAnn Bigby, M.D.			
14. TITLE: Secretary			
15. DATE SUBMITTED: 06/29/12			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: SEP 21 2012	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: MAY 25 2012		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: Penny Thompson		22. TITLE: Deputy Director, CMCS	
23. REMARKS:			

State Plan Under Title XIX of the Social Security Act
State: Massachusetts
Methods Used to Determine Rates of Payment for Acute Inpatient Hospital Services

I. Introduction

A. Overview

This attachment describes methods used to determine rates of payment for acute inpatient hospital services.

1. The payment methodologies specified in this Attachment apply to:
 - admissions at in-state Acute Hospitals beginning on or after October 1, 2011, and
 - inpatient payments made to in-state Acute Hospitals on a per diem basis for dates of service on or after October 1, 2011.
2. The supplemental payments specified in Sections III.L.1 through III.L.4, apply to dates of service from October 1, 2011 through September 30, 2012.
3. The Pay-for-Performance payment methodology specified in Section III.J is effective October 1, 2011.
4. In-state Acute Hospitals are defined in Section II.
5. Payment for out-of-state acute inpatient hospital services is as follows. Effective for admissions on or after May 25, 2012, MassHealth will pay out-of-state acute inpatient hospitals a per discharge amount equal to the median inpatient MassHealth Standard Payment Amount per discharge (SPAD) in effect for in-state acute hospitals on the date of admission. In addition, for members under age 21, for each acute inpatient day following the first 20 days of an admission, MassHealth will pay out-of-state acute hospitals the median outlier per diem payment in effect for in-state acute hospitals on the date of service.

B. Non-Covered Services

The payment methods specified in this Attachment do not apply to the following Inpatient Hospital Services:

1. **Behavioral Health Services for Members Enrolled with the Behavioral Health Contractor**

MassHealth contracts with a Behavioral Health (BH) Contractor to provide Behavioral Health Services to Members enrolled with the BH Contractor. Hospitals are not entitled to, and may not claim for, any fee-for-service payment from EOHHS for any services that are BH Contractor-covered services or are otherwise payable by the BH Contractor.

State Plan Under Title XIX of the Social Security Act
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Methods Used to Determine Rates of Payment for Acute Inpatient Hospital Services

2. MCO Services

MassHealth contracts with Managed Care Organizations (MCOs) to provide medical services, including Behavioral Health Services, to Members enrolled with the MCO.