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State/Territory Name: Massachusetts

State Plan Amendment (SPA) #: 21-0010

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, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

June 14, 2021

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

RE: State Plan Amendment (SPA) TN 21-0010

Dear Secretary Sudders:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 21-0010. Effective January 22, 2021, this amendment revises reimbursement for pediatric behavioral health services. Specifically, it increases supplemental payment by \$30 per day for rate year 2021 performance period.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1923 and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR Part 447. This letter is to inform you that Massachusetts 21-0010 is approved effective January 22, 2021. The CMS-179 and approved plan pages are enclosed.

If you have any questions, please contact Novena James-Hailey at (617) 565-1291 or Novena.JamesHailey@cms.hhs.gov.

Sincerely,

[Redacted Signature]

For
Rory Howe
Acting Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER

21 - 010

2. STATE

MA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

01/22/21

5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION

42 USC 1396a(a)(13); 42 CFR Part 447; 42 CFR 440.10

7. FEDERAL BUDGET IMPACT

a. FFY 21 \$ 62,400

b. FFY 22 \$ 83,200

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A(1) page 57

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-A(1) page 57

10. SUBJECT OF AMENDMENT

An amendment regarding Acute Inpatient Hospital Services

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED

Not required under 42 CFR 430.12(b)(2)(i)

12. SIGNATURE OF STATE AGENCY OFFICIAL

13. TYPED NAME
Marylou Sudders

14. TITLE
Secretary

15. DATE SUBMITTED
03/31/21

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED March 31, 2021

18. DATE APPROVED 6/14/21

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL
January 22, 2021

20. SIGNATURE OF REGIONAL OFFICIAL
For

21. TYPED NAME
Rory Howe

22. TITLE
Acting Director, Financial Management Group

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

- b. EOHHS will determine the Hospital's Pediatric Inpatient BH Bed-Days Volume for the first RY21 Performance Period utilizing RY21 fee-for-service MMIS paid claims and managed care encounter data submitted to EOHHS by Managed Care Entities by October 31, 2021.
- c. EOHHS will determine the Hospital's Pediatric Inpatient BH Bed-Days Volume for the Second RY21 Performance Period utilizing RY21 fee-for-service MMIS paid claims and managed care encounter data submitted to EOHHS by Managed Care Entities by April 30, 2022.

c. Methodology

Subject to compliance with all applicable federal rules and payment limits, for each Hospital eligible for a Pediatric Inpatient BH Per Diem Supplemental Payment for an RY21 Performance Period in accordance with **Section III.J.10.b**, the Hospital's payment shall equal \$330 multiplied by the number of days by which the Hospital's Pediatric Inpatient BH Bed-Days Volume for an RY21 Performance Period, calculated in accordance with **Section III.J.10.b.3**, exceeds the Hospital's Pediatric Inpatient BH Bed-Days Baseline for that RY21 Performance Period, calculated in accordance with **Section III.J.10.b.2**.

K. Pay-for-Performance (P4P) Payment

Pay-for-Performance (P4P) is MassHealth's method for quality scoring and converting quality scores to P4P payments contingent upon Hospital adherence to quality standards and achievement of performance thresholds and benchmarks. P4P incentive payments will be based on pay-for-performance (see **Sections III.K.1.c** and **III.K.2.c**, below).

A Hospital will qualify to earn P4P payments if it meets data accuracy and completeness requirements, including data validation requirements where applicable, and achieves performance thresholds for the P4P measures listed below. Each measure is evaluated using the methods outlined below to produce measure rates or values which result in performance scores that are converted into incentive payments.

The P4P program applies to inpatient services for MassHealth Members where Medicaid is the primary payer. In general, payment calculations are based on a combination of performance scores, which utilize all-Medicaid payer data for certain measures and all payer data for other measures, and the number of eligible discharges, which includes only individuals enrolled in the Primary Care Clinician (PCC) Plan or a Primary Care ACO, and members with fee-for-service coverage.

RY21 is bifurcated into the 1st RY21 Period and the 2nd RY21 Period for purposes of applying the P4P payment methodology. The methodology in Section III.K.1 applies to dates of service in the 1st RY21 Period and incorporates applicable definitions in **Section II** that apply to the 1st RY21 Period. The methodology in Section III.K.2 applies to dates of service in the 2nd RY21 Period and incorporates applicable definitions in **Section II** that apply to the 2nd RY21 Period. The 1st RY20 Period methodology is the same methodology that applied during the 2nd RY20 Period (effective November 1, 2019) under approved SPA TN-019-027, as modified by approved SPA TN 020-013.