




Commonwealth of Massachusetts  
Executive Office of Health and Human Services  
Office of Medicaid  
[www.mass.gov/masshealth](http://www.mass.gov/masshealth)

**MassHealth**  
**Acute Inpatient Hospital Bulletin 175**  
**May 2020**

**TO:** Acute Inpatient Hospitals Participating in MassHealth  
**FROM:** Amanda Cassel Kraft, Acting Medicaid Director   
**RE: Financial Support for Acute Inpatient Hospitals with DMH-Licensed Beds in Response to the COVID-19 Pandemic**

### **Background**

MassHealth's mission is to improve the health outcomes of our diverse members and their families by providing access to integrated health care services that sustainably and equitably promote health, well-being, independence and quality of life. In support of that mission, MassHealth provides broad coverage of medically necessary health care services to its members. MassHealth partners with a wide variety of service providers, including vital safety net providers, in order to offer its members access.

In light of the 2019 novel Coronavirus (COVID-19) outbreak, and to address the increased costs associated with the COVID-19 response, MassHealth will provide financial support to acute inpatient hospitals with Department of Mental Health (DMH)-licensed beds (Applicable Hospitals) meeting specific eligibility criteria. As further described in this bulletin, this financial support will take the form of a temporary incremental rate increase to the psychiatric per diem rate, and a supplemental payment.

### **Background: Department of Mental Health (DMH) Infection Control Competencies / Standards and Facility Tiering**

On May 21, 2020, the Department of Mental Health (DMH) posted DMH Bulletin 20-05: COVID-19 Infection Control and Other Requirements in Response to the COVID-19 Pandemic. DMH Bulletin 20-05 includes Infection Control Competencies / Standards, which establish consistent infection control practices and consistent practices for the admission and treatment of patients whose status regarding infection with COVID-19 is either pending test results, presumed positive, or confirmed positive. DMH will maintain a list of Tier 1 and Tier 2 facilities who have been determined to meet requirements, as outlined by DMH.

Tier 1 establishes baseline infection control standards with which all DMH-licensed facilities, including the DMH-licensed beds within Applicable Hospitals (Applicable Units), are expected to comply. Tier 2 establishes infection control standards and guidelines for DMH-licensed facilities (including Applicable Units) that have the capacity to admit and provide ongoing management for patients who are confirmed to be infected with COVID-19. All Applicable Hospitals are expected to attest to meeting either Tier 1 or Tier 2 guidelines, and meet additional requirements as outlined by DMH.

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**Temporary Incremental Psychiatric Per Diem Rate Increase**

Based on an Applicable Hospital's or Applicable Unit's designation by DMH and compliance with other requirements detailed in this bulletin and to be set forth in an upcoming amendment to the Rate Year 2020 Acute Hospital Request for Applications (RFA) and Contract, as amended, MassHealth will increase the psychiatric per diem rate set forth in the RFA as follows:

<b>Tier</b>	<b>Incremental payment increases for psychiatric per diem rate</b>
Tier 1	\$94 above current psychiatric per diem rate
Tier 2	\$188 above current psychiatric per diem rate

**Effective Date for Temporary Incremental Psychiatric Per Diem Rate Increase**

Subject to all eligibility criteria set forth in this bulletin and to be set forth in the forthcoming amendment to the RFA, the effective date of the temporary incremental rate increases described in this bulletin will vary by Applicable Hospital. Any temporary incremental rate increase pursuant to this bulletin and the forthcoming amendment to the RFA will be effective for dates of service on or after the later of May 27, 2020, or the date that an Applicable Hospital meets DMH attestation requirements for its Applicable Unit(s), as determined by DMH.

MassHealth will notify each Applicable Hospital of the effective date of its temporary incremental rate increase, if any.

All temporary incremental rate increases to the psychiatric per diem rate described in this bulletin will be in effect through July 31, 2020. Beginning with dates of service on August 1, 2020, the psychiatric per diem rate will revert to the rate currently set forth in the RFA.

**Additional Requirements for Temporary Rate Increases**

MassHealth will be posting an amendment to the RFA in the coming weeks. Hospitals must return an executed copy of the upcoming amendment to the RFA, along with any additional documentation required therein, to be eligible for the temporary incremental increase to the inpatient per diem, if any.

To be eligible for the temporary incremental rate increases described in this bulletin, in addition to all other applicable requirements, an Applicable Hospital must:

- Have its Applicable Units designated as either Tier 1 or Tier 2 by DMH;
- Comply with all DMH requirements, including but not limited to DMH's Infection Control Competencies / Standards;
- Meet all COVID-19 reporting metrics, as required by DMH, in a timely manner;

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- Agree to complete facility-wide COVID-19 testing of all staff and patients in the event DMH determines such testing to be necessary;
- Not close a pediatric or geriatric psychiatric unit without prior approval from DMH;
- Comply with the DMH No Reject policy, as updated in DMH Bulletin 20-04: COVID-19 Pandemic Guidance;
- Submit an executed copy of the forthcoming amendment to the RFA, along with any additional documentation required therein; and
- Comply with the requirements outlined in this bulletin and the forthcoming amendment to the RFA.

To be eligible for Tier 2 payments, in addition to all other applicable requirements, an Applicable Hospital must ensure that its Tier 2-designated Applicable Unit(s):

- Accept otherwise appropriate patients confirmed to be infected with COVID-19 from outside the Applicable Hospital;
- Actively work with Tier 1 facilities to accept patients currently admitted to those facilities that are confirmed to be infected with COVID-19; and
- Partner with the Commonwealth to flex the hospital's capacity to accept patients who are infected with COVID-19 as needed.

Additional reporting requirements will be outlined in the RFA.

### **Supplemental Payment**

Applicable Hospitals meeting the following eligibility criteria (as will be set forth in the upcoming amendment to the RFA) will also be eligible for a one-time supplemental payment:

- The Applicable Hospital attests that its Applicable Unit(s) meet Tier 1 or Tier 2 guidelines and the other requirements as outlined by DMH in DMH Bulletin 20-05: COVID-19 Infection Control and Other Requirements in Response to the COVID-19 Pandemic by May 27, 2020, at 11:59 p.m., as determined by DMH;
- The Applicable Hospital's attestation and supporting documentation is accepted by DMH;
- The Applicable Hospital's Applicable Unit(s) are designated Tier 1 or Tier 2 by DMH;
- The Applicable Hospital returns an executed copy of the upcoming amendment to the RFA, along with any additional documentation required therein; and
- The Applicable Hospital complies with the requirements outlined in this bulletin and the forthcoming amendment to the RFA, as determined by MassHealth.

The methodology for determining the supplemental payment amount will be set forth in the upcoming amendment to the RFA. The same methodology will apply to all Applicable Hospitals that meet the criteria set forth above, regardless of whether DMH designates their Applicable Unit(s) as Tier 1 or Tier 2. Applicable Hospitals that do not meet the criteria set forth above, including those

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failing to attest that their Applicable Units meet Tier 1 or Tier 2 guidelines or other requirements as outlined by DMH by May 27, 2020, at 11:59 p.m., will not be eligible for this supplemental payment.

**Additional Conditions of Payment and Overpayments**

MassHealth will not implement any rate increase or issue any payment described in this bulletin to an Applicable Hospital until that hospital returns an executed copy of the upcoming amendment to the RFA, along with any additional documentation required therein. If an Applicable Hospital is found to be out of compliance with any of the above conditions, or any other term or condition of the RFA, MassHealth may recover payment in accordance with applicable regulations and contracts, and may direct its managed care entities to do the same.

**MassHealth Website**

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**Questions**

If you have any questions about the information in this bulletin, please contact the MassHealth Customer Service Center at (800) 841-2900, email your inquiry to [providersupport@mahealth.net](mailto:providersupport@mahealth.net), or fax your inquiry to (617) 988-8974