

SENATE No. 535

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act to establish an equitable rate of payment for medicaid home health services..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 1 of Chapter 118G of the General Laws, as most recently amended
2 by chapter 324 of the acts of 2006, is hereby further amended by inserting, after the definition of
3 “health maintenance organization,” the following:— “Home health care provider,” any
4 organization certified as a provider of services under the Medicare Health Insurance Program for
5 the Aged (Title XVIII of the federal Social Security Act) that meets the Medicare and Medicaid
6 Conditions of Participation for Home Health Agencies in Massachusetts.

7 SECTION 2. Section 7 of said Chapter 118G, as appearing in the 2004 Official Edition,
8 is hereby amended by deleting clause (1) thereof and inserting in its place the following:—(1)
9 shall determine, after public hearing, at least annually for institutional providers and for home
10 health care providers, and at least biennially for all other non-institutional providers, the rates to
11 be paid by each governmental unit to providers of health care services;

12 SECTION 3. Said chapter 118G is hereby further amended by adding at the end thereof
13 the following new section:—Section X. (a) Notwithstanding the provision of any general or
14 special law to the contrary, including any other section of chapter 118G or chapter 118E of the

15 General Laws, the division shall (i) adjust rates of payment for home health care providers on an
16 annual basis, with such rates to be established as of January first of each year, and (ii) establish
17 rates of payment for home health care providers on a prospective basis, whenever possible. For
18 purposes of (ii) above, the division shall use as base year costs for rate determination purposes
19 for a particular rate year the reported costs of a calendar year not more than four years prior to
20 such particular rate year, adjusted for inflation, changes in technology and such other factors as
21 the division may reasonably determine.

22 (b) This section shall apply to the rates established for home health care providers
23 pursuant to any waiver of otherwise applicable federal requirements that the division or the
24 division of medical assistance has obtained or may obtain from the secretary of health and
25 human services for the purpose of implementing any type of managed care service delivery
26 system, or for any home health services purchased by the executive office of elder affairs
27 pursuant to an interagency services agreement with the division of medical assistance.

28 SECTION 4. This act shall take effect upon its passage.