

HOUSE No. 4894

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, January 8, 2026.

The committee on Financial Services, to whom was referred the petition (accompanied by bill, House, No. 1229) of Michael P. Kushmerek for legislation to further define medical necessity determinations, reports recommending that the accompanying bill (House, No. 4894) ought to pass.

For the committee,

JAMES M. MURPHY.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act to further define medical necessity determinations.

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. Chapter 32A of the General Laws is hereby amended by inserting after
2 section 17Z the following section:-

3 Section 17AA. For the purposes of this section the following terms shall, unless the
4 context clearly requires otherwise, have the following meanings:

5 “Mental health acute treatment”, 24-hour medically supervised mental health services
6 provided in an inpatient facility, licensed by the department of mental health, that provides
7 psychiatric evaluation, management, treatment and discharge planning in a structured treatment
8 milieu.

9 “Mental health crisis stabilization services”, 24-hour clinically managed mental health
10 diversionary or step-down services for adults or adolescents, as defined by MassHealth, usually
11 provided as an alternative to mental health acute treatment or following mental health acute
12 treatment, which may include intensive crisis stabilization counseling, outreach to families and
13 significant others and aftercare planning.

14 “Community-based acute treatment (CBAT)”, 24-hour clinically managed mental health
15 diversionary or step-down services for children and adolescents, as defined by the department of
16 early education and care, usually provided as an alternative to mental health acute treatment.

17 “Intensive community-based acute treatment (ICBAT)”, intensive 24-hour clinically
18 managed mental health diversionary or step-down services for children and adolescents, as
19 defined by the department of early education and care, usually provided as an alternative to
20 mental health acute treatment.

21 The commission shall provide to any active or retired employee of the commonwealth
22 who is insured under the group insurance commission coverage for medically necessary mental
23 health acute treatment and shall not require a preauthorization prior to obtaining treatment.
24 Medical necessity shall be determined by the treating clinician in consultation with the patient
25 and noted in the patient’s medical record.

26 The commission shall provide to any active or retired employee of the commonwealth
27 who is insured under the group insurance commission coverage for medically necessary mental
28 health crisis stabilization services for up to 14 days and shall not require preauthorization prior to
29 obtaining such services; provided, that the facility shall provide the carrier both notification of
30 admission and the initial treatment plan within 48 hours of admission; provided further, that
31 utilization review procedures may be initiated on day 7. Medical necessity shall be determined
32 by the treating clinician in consultation with the patient and noted in the patient’s medical record.

33 The commission shall provide to any active or retired employee of the commonwealth
34 who is insured under the group insurance commission coverage for medically necessary
35 community based acute treatment services for up to 21 days; provided, that the facility shall

36 provide the carrier both notification of admission and the initial treatment plan within 48 hours
37 of admission; provided further, that utilization review procedures may be initiated on day 10.
38 Medical necessity shall be determined by the treating clinician in consultation with the patient
39 and noted in the patient's medical record.

40 The commission shall provide to any active or retired employee of the commonwealth
41 who is insured under the group insurance commission coverage for medically necessary
42 intensive community based acute treatment services for up to 14 days; provided, that the facility
43 shall provide the carrier both notification of admission and the initial treatment plan within 48
44 hours of admission; provided further, that utilization review procedures may be initiated on day
45 7. Medical necessity shall be determined by the treating clinician in consultation with the patient
46 and noted in the patient's medical record.

47 SECTION 2. Chapter 118E of the General Laws is hereby amended by inserting after
48 section 10Z the following section:-

49 Section 10AA. For the purposes of this section the following terms shall, unless the
50 context clearly requires otherwise, have the following meanings:

51 "Mental health acute treatment", 24-hour medically supervised mental health services
52 provided in an inpatient facility, licensed by the department of mental health, that provides
53 psychiatric evaluation, management, treatment and discharge planning in a structured treatment
54 milieu.

55 "Mental health crisis stabilization services", 24-hour clinically managed mental health
56 diversionary or step-down services for adults or adolescents, as defined by MassHealth, usually
57 provided as an alternative to mental health acute treatment or following mental health acute

58 treatment, which may include intensive crisis stabilization counseling, outreach to families and
59 significant others and aftercare planning.

60 "Community-based acute treatment (CBAT)", 24-hour clinically managed mental health
61 diversionary or step-down services for children and adolescents, as defined by the department of
62 early education and care, usually provided as an alternative to mental health acute treatment.

63 "Intensive community-based acute treatment (ICBAT)", intensive 24-hour clinically
64 managed mental health diversionary or step-down services for children and adolescents, as
65 defined by the department of early education and care, usually provided as an alternative to
66 mental health acute treatment.

67 The division and its contracted health insurers, health plans, health maintenance
68 organizations, behavioral health management firms and third party administrators under contract
69 to a Medicaid managed care organization or primary care clinician plan shall cover the cost of
70 medically necessary mental health acute treatment and shall not require a preauthorization prior
71 to obtaining treatment. Medical necessity shall be determined by the treating clinician in
72 consultation with the patient and noted in the patient's medical record.

73 The division and its contracted health insurers, health plans, health maintenance
74 organizations, behavioral health management firms and third party administrators under contract
75 to a Medicaid managed care organization or primary care clinician plan shall cover the cost of
76 medically necessary mental health crisis stabilization services for up to 14 days and shall not
77 require preauthorization prior to obtaining such services; provided, that the facility shall provide
78 the carrier both notification of admission and the initial treatment plan within 48 hours of
79 admission; provided further, that utilization review procedures may be initiated on day 7.

80 Medical necessity shall be determined by the treating clinician in consultation with the patient
81 and noted in the patient's medical record.

82 The division and its contracted health insurers, health plans, health maintenance
83 organizations, behavioral health management firms and third party administrators under contract
84 to a Medicaid managed care organization or primary care clinician plan shall cover the cost of
85 medically necessary community based acute treatment services for up to 21 days; provided, that
86 the facility shall provide the carrier both notification of admission and the initial treatment plan
87 within 48 hours of admission; provided further, that utilization review procedures may be
88 initiated on day 10. Medical necessity shall be determined by the treating clinician in
89 consultation with the patient and noted in the patient's medical record.

90 The division and its contracted health insurers, health plans, health maintenance
91 organizations, behavioral health management firms and third party administrators under contract
92 to a Medicaid managed care organization or primary care clinician plan shall cover the cost of
93 medically necessary intensive community based acute treatment services for up to 14 days;
94 provided, that the facility shall provide the carrier both notification of admission and the initial
95 treatment plan within 48 hours of admission; provided further, that utilization review procedures
96 may be initiated on day 7. Medical necessity shall be determined by the treating clinician in
97 consultation with the patient and noted in the patient's medical record.

98 SECTION 3. Chapter 175 of the General Laws is hereby amended by inserting before
99 section 47CCC the following section:-

100 Section 47AAA. For the purposes of this section the following terms shall, unless the
101 context clearly requires otherwise, have the following meanings:

102 “Mental health acute treatment”, 24-hour medically supervised mental health services
103 provided in an inpatient facility, licensed by the department of mental health, that provides
104 psychiatric evaluation, management, treatment and discharge planning in a structured treatment
105 milieu.

106 “Mental health crisis stabilization services”, 24-hour clinically managed mental health
107 diversionary or step-down services for adults or adolescents, as defined by MassHealth, usually
108 provided as an alternative to mental health acute treatment or following mental health acute
109 treatment, which may include intensive crisis stabilization counseling, outreach to families and
110 significant others and aftercare planning.

111 “Community-based acute treatment (CBAT)”, 24-hour clinically managed mental health
112 diversionary or step-down services for children and adolescents, as defined by the department of
113 early education and care, usually provided as an alternative to mental health acute treatment.

114 “Intensive community-based acute treatment (ICBAT)”, intensive 24-hour clinically
115 managed mental health diversionary or step-down services for children and adolescents, as
116 defined by the department of early education and care, usually provided as an alternative to
117 mental health acute treatment.

118 Any blanket or general policy of insurance described in subdivision (A), (C), or (D) of
119 section one hundred and ten which is issued or subsequently renewed by agreement between the
120 insurer and the policyholder, within or without the commonwealth, during the period within
121 which this premium is effective, or any policy of accident or sickness insurance as described in
122 section one hundred and eight which provides hospital expense and surgical expense insurance
123 and which is delivered or issued for delivery or subsequently renewed by agreement between the

124 insurer and the policyholder in the commonwealth, during the period within which this provision
125 is effective, or any employers' health and welfare fund which provides hospital expense and
126 surgical expense benefits and which is issued or renewed to any person or group of persons in
127 the commonwealth, during the period within which this provision is effective, shall provide
128 coverage for medically necessary mental health acute treatment and shall not require a
129 preauthorization prior to obtaining treatment. Medical necessity shall be determined by the
130 treating clinician in consultation with the patient and noted in the patient's medical record.

131 Any blanket or general policy of insurance described in subdivision (A), (C), or (D) of
132 section one hundred and ten which is issued or subsequently renewed by agreement between the
133 insurer and the policyholder, within or without the commonwealth, during the period within
134 which this premium is effective, or any policy of accident or sickness insurance as described in
135 section one hundred and eight which provides hospital expense and surgical expense insurance
136 and which is delivered or issued for delivery or subsequently renewed by agreement between the
137 insurer and the policyholder in the commonwealth, during the period within which this provision
138 is effective, or any employers' health and welfare fund which provides hospital expense and
139 surgical expense benefits and which is issued or renewed to any person or group of persons in
140 the commonwealth, during the period within which this provision is effective, shall provide
141 coverage for medically necessary mental health crisis stabilization services for up to 14 days and
142 shall not require preauthorization prior to obtaining such services; provided, that the facility shall
143 provide the carrier both notification of admission and the initial treatment plan within 48 hours
144 of admission; provided further, that utilization review procedures may be initiated on day 7.
145 Medical necessity shall be determined by the treating clinician in consultation with the patient
146 and noted in the patient's medical record.

147 Any blanket or general policy of insurance described in subdivision (A), (C), or (D) of
148 section one hundred and ten which is issued or subsequently renewed by agreement between the
149 insurer and the policyholder, within or without the commonwealth, during the period within
150 which this premium is effective, or any policy of accident or sickness insurance as described in
151 section one hundred and eight which provides hospital expense and surgical expense insurance
152 and which is delivered or issued for delivery or subsequently renewed by agreement between the
153 insurer and the policyholder in the commonwealth, during the period within which this provision
154 is effective, or any employers' health and welfare fund which provides hospital expense and
155 surgical expense benefits and which is issued or renewed to any person or group of persons in
156 the commonwealth, during the period within which this provision is effective, shall provide
157 coverage for medically necessary community based acute treatment services for up to 21 days;
158 provided, that the facility shall provide the carrier both notification of admission and the initial
159 treatment plan within 48 hours of admission; provided further, that utilization review procedures
160 may be initiated on day 10. Medical necessity shall be determined by the treating clinician in
161 consultation with the patient and noted in the patient's medical record.

162 Any blanket or general policy of insurance described in subdivision (A), (C), or (D) of
163 section one hundred and ten which is issued or subsequently renewed by agreement between the
164 insurer and the policyholder, within or without the commonwealth, during the period within
165 which this premium is effective, or any policy of accident or sickness insurance as described in
166 section one hundred and eight which provides hospital expense and surgical expense insurance
167 and which is delivered or issued for delivery or subsequently renewed by agreement between the
168 insurer and the policyholder in the commonwealth, during the period within which this provision
169 is effective, or any employers' health and welfare fund which provides hospital expense and

170 surgical expense benefits and which is issued or renewed to any person or group of persons in
171 the commonwealth, during the period within which this provision is effective, shall provide
172 coverage for medically necessary intensive community based acute treatment services for up to
173 14 days; provided, that the facility shall provide the carrier both notification of admission and the
174 initial treatment plan within 48 hours of admission; provided further, that utilization review
175 procedures may be initiated on day 7. Medical necessity shall be determined by the treating
176 clinician in consultation with the patient and noted in the patient's medical record.

177 SECTION 4. Chapter 176A of the General Laws is hereby amended by inserting after
178 section 8DDD the following section:-

179 Section 8EEE. For the purposes of this section the following terms shall, unless the
180 context clearly requires otherwise, have the following meanings:

181 "Mental health acute treatment", 24-hour medically supervised mental health services
182 provided in an inpatient facility, licensed by the department of mental health, that provides
183 psychiatric evaluation, management, treatment and discharge planning in a structured treatment
184 milieu.

185 "Mental health crisis stabilization services", 24-hour clinically managed mental health
186 diversionary or step-down services for adults or adolescents, as defined by MassHealth, usually
187 provided as an alternative to mental health acute treatment or following mental health acute
188 treatment, which may include intensive crisis stabilization counseling, outreach to families and
189 significant others and aftercare planning.

190 “Community-based acute treatment (CBAT)”, 24-hour clinically managed mental health
191 diversionary or step-down services for children and adolescents, as defined by the department of
192 early education and care, usually provided as an alternative to mental health acute treatment.

193 “Intensive community-based acute treatment (ICBAT)”, intensive 24-hour clinically
194 managed mental health diversionary or step-down services for children and adolescents, as
195 defined by the department of early education and care, usually provided as an alternative to
196 mental health acute treatment.

197 Any contract between a subscriber and the corporation under an individual or group
198 hospital service plan which is delivered, issued or renewed within the commonwealth shall
199 provide coverage for medically necessary mental health acute treatment and shall not require a
200 preauthorization prior to obtaining treatment. Medical necessity shall be determined by the
201 treating clinician in consultation with the patient and noted in the patient’s medical record.

202 Any contract between a subscriber and the corporation under an individual or group
203 hospital service plan which is delivered, issued or renewed within the commonwealth shall
204 provide coverage for medically necessary mental health crisis stabilization services for up to 14
205 days and shall not require preauthorization prior to obtaining such services; provided, that the
206 facility shall provide the carrier both notification of admission and the initial treatment plan
207 within 48 hours of admission; provided further, that utilization review procedures may be
208 initiated on day 7. Medical necessity shall be determined by the treating clinician in consultation
209 with the patient and noted in the patient’s medical record.

210 Any contract between a subscriber and the corporation under an individual or group
211 hospital service plan which is delivered, issued or renewed within the commonwealth shall

212 provide coverage for medically necessary community based acute treatment services for up to 21
213 days; provided, that the facility shall provide the carrier both notification of admission and the
214 initial treatment plan within 48 hours of admission; provided further, that utilization review
215 procedures may be initiated on day 10. Medical necessity shall be determined by the treating
216 clinician in consultation with the patient and noted in the patient's medical record.

217 Any contract between a subscriber and the corporation under an individual or group
218 hospital service plan which is delivered, issued or renewed within the commonwealth shall
219 provide coverage for medically necessary intensive community based acute treatment services
220 for up to 14 days; provided, that the facility shall provide the carrier both notification of
221 admission and the initial treatment plan within 48 hours of admission; provided further, that
222 utilization review procedures may be initiated on day 7. Medical necessity shall be determined
223 by the treating clinician in consultation with the patient and noted in the patient's medical record.

224 SECTION 5. Chapter 176B of the General Laws is hereby amended by inserting after
225 section 4DDD the following section:-

226 Section 4EEE. For the purposes of this section the following terms shall, unless the
227 context clearly requires otherwise, have the following meanings:

228 "Mental health acute treatment", 24-hour medically supervised mental health services
229 provided in an inpatient facility, licensed by the department of mental health, that provides
230 psychiatric evaluation, management, treatment and discharge planning in a structured treatment
231 milieu.

232 "Mental health crisis stabilization services", 24-hour clinically managed mental health
233 diversionary or step-down services for adults or adolescents, as defined by MassHealth, usually

234 provided as an alternative to mental health acute treatment or following mental health acute
235 treatment, which may include intensive crisis stabilization counseling, outreach to families and
236 significant others and aftercare planning.

237 “Community-based acute treatment (CBAT)”, 24-hour clinically managed mental health
238 diversionary or step-down services for children and adolescents, as defined by the department of
239 early education and care, usually provided as an alternative to mental health acute treatment.

240 “Intensive community-based acute treatment (ICBAT)”, intensive 24-hour clinically
241 managed mental health diversionary or step-down services for children and adolescents, as
242 defined by the department of early education and care, usually provided as an alternative to
243 mental health acute treatment.

244 Any subscription certificate under an individual or group medical service agreement
245 delivered, issued or renewed within the commonwealth shall provide coverage for medically
246 necessary mental health acute treatment and shall not require a preauthorization prior to
247 obtaining treatment. Medical necessity shall be determined by the treating clinician in
248 consultation with the patient and noted in the patient’s medical record.

249 Any subscription certificate under an individual or group medical service agreement
250 delivered, issued or renewed within the commonwealth shall provide coverage for medically
251 necessary mental health crisis stabilization services for up to 14 days and shall not require
252 preauthorization prior to obtaining such services; provided, that the facility shall provide the
253 carrier both notification of admission and the initial treatment plan within 48 hours of admission;
254 provided further, that utilization review procedures may be initiated on day 7. Medical necessity

255 shall be determined by the treating clinician in consultation with the patient and noted in the
256 patient's medical record.

257 Any subscription certificate under an individual or group medical service agreement
258 delivered, issued or renewed within the commonwealth shall provide coverage for medically
259 necessary community based acute treatment services for up to 21 days; provided, that the facility
260 shall provide the carrier both notification of admission and the initial treatment plan within 48
261 hours of admission; provided further, that utilization review procedures may be initiated on day
262 10. Medical necessity shall be determined by the treating clinician in consultation with the
263 patient and noted in the patient's medical record.

264 Any subscription certificate under an individual or group medical service agreement
265 delivered, issued or renewed within the commonwealth shall provide coverage for medically
266 necessary intensive community based acute treatment services for up to 14 days; provided, that
267 the facility shall provide the carrier both notification of admission and the initial treatment plan
268 within 48 hours of admission; provided further, that utilization review procedures may be
269 initiated on day 7. Medical necessity shall be determined by the treating clinician in consultation
270 with the patient and noted in the patient's medical record.

271 SECTION 6. Chapter 176G of the General Laws is hereby amended by inserting after
272 section 4VV the following section:-

273 Section 4WW. For the purposes of this section the following terms shall, unless the
274 context clearly requires otherwise, have the following meanings:

275 "Mental health acute treatment", 24-hour medically supervised mental health services
276 provided in an inpatient facility, licensed by the department of mental health, that provides

277 psychiatric evaluation, management, treatment and discharge planning in a structured treatment
278 milieu.

279 "Mental health crisis stabilization services", 24-hour clinically managed mental health
280 diversionary or step-down services for adults or adolescents, as defined by MassHealth, usually
281 provided as an alternative to mental health acute treatment or following mental health acute
282 treatment, which may include intensive crisis stabilization counseling, outreach to families and
283 significant others and aftercare planning.

284 "Community-based acute treatment (CBAT)", 24-hour clinically managed mental health
285 diversionary or step-down services for children and adolescents, as defined by the department of
286 early education and care, usually provided as an alternative to mental health acute treatment.

287 "Intensive community-based acute treatment (ICBAT)", intensive 24-hour clinically
288 managed mental health diversionary or step-down services for children and adolescents, as
289 defined by the department of early education and care, usually provided as an alternative to
290 mental health acute treatment.

291 Any individual or group health maintenance contract that is issued or renewed shall
292 provide coverage for medically necessary mental health acute treatment and shall not require a
293 preauthorization prior to obtaining treatment. Medical necessity shall be determined by the
294 treating clinician in consultation with the patient and noted in the patient's medical record.

295 Any individual or group health maintenance contract that is issued or renewed shall
296 provide coverage for medically necessary mental health crisis stabilization services for up to 14
297 days and shall not require preauthorization prior to obtaining such services; provided, that the
298 facility shall provide the carrier both notification of admission and the initial treatment plan

299 within 48 hours of admission; provided further, that utilization review procedures may be
300 initiated on day 7. Medical necessity shall be determined by the treating clinician in consultation
301 with the patient and noted in the patient's medical record.

302 Any individual or group health maintenance contract that is issued or renewed shall
303 provide coverage for medically necessary community based acute treatment services for up to 21
304 days; provided, that the facility shall provide the carrier both notification of admission and the
305 initial treatment plan within 48 hours of admission; provided further, that utilization review
306 procedures may be initiated on day 10. Medical necessity shall be determined by the treating
307 clinician in consultation with the patient and noted in the patient's medical record.

308 Any individual or group health maintenance contract that is issued or renewed shall
309 provide coverage for medically necessary intensive community based acute treatment services
310 for up to 14 days; provided, that the facility shall provide the carrier both notification of
311 admission and the initial treatment plan within 48 hours of admission; provided further, that
312 utilization review procedures may be initiated on day 7. Medical necessity shall be determined
313 by the treating clinician in consultation with the patient and noted in the patient's medical record.