Joint Committee on Health Care Financing 2025-2026 (194th) Bill Summary

Bill Number: House, No. 1412

<u>Title:</u> AN ACT IMPROVING ACCESS TO POST ACUTE SERVICES

Sponsor: Representative Thomas M. Stanley (Waltham)

Hearing Date: July 1, 2025

Reporting Deadline: August 30, 2025

Prior History: New File

Similar Matters: S903 (Payano – Identical, Health Care Financing)

Current Law:

M.G.L. Chapter 6A § 16CC establishes a statewide long term care ombudsman office to advocate on behalf of residents.

Chapter 118E of the General Laws establishes the Division of Medical Assistance (MassHealth) within the Executive Office of Health and Human Services.

M.G.L. Chapter 118E § 13A governs the rates and terms of payment for services at non-acute hospitals.

Chapter 215 of the General Laws governs the different divisions of the probate court.

Sections 24, 38 and 41 of Chapter 197 of the Acts of 2024 establish a two-year pilot for a prior authorization process for patients transitioning from acute care hospitals to post-acute care facilities or home health agencies. Payers (such as insurance companies and public programs like MassHealth) must approve or deny prior authorization requests for post-acute care by the next business day after receiving all required medical documentation. If that next day is not a business day and the post-acute facility is ready to accept the patient, the prior authorization requirement is waived, coverage is still provided, and a review of the prior authorization can start on the next business day. Insurers cannot later deny payment unless fraud or abuse is involved. Appeals of denials must follow expedited processes. For non-emergency medical transport between facilities, prior authorization must also be processed quickly and be valid for at least 7 days.

Summary:

SECTION 1 directs the Office of Medicaid, in consultation with hospitals, to take actions that improve discharge processes from post-acute care hospitals for MassHealth patients awaiting community placement. These actions include improving transparency in beneficiary notices, clarifying service denials and appeals, and expanding community resources for patients with complex, chronic conditions.

SECTION 2 amends section 13A of chapter 118E to ensure Medicaid rate-setting for non-acute care hospitals is based on cost data from no more than two years prior to the rate year.

SECTION 3 repeals the two-year sunset for the prior authorization process for patients transitioning from acute care hospitals to post-acute care facilities or home health agencies. Repealing the sunset would make this a permanent process.

SECTION 4 amends the prior authorization process in section 24 of chapter 197 of the acts of 2024 to include patients transition from a non-acute care hospital to a post-acute facility.

SECTION 5 prohibits all public and private health insurers ("payers") from requiring prior authorization for discharging patients from acute or non-acute hospitals to CMS-certified home health agencies.

Summary Prepared by the House Staff of the Joint Committee on Health Care Financing

SECTION 6 amends section 16CC of chapter 6A by creating a complex care ombudsman program within the state's Long-Term Care Ombudsman Office, assigning at least one complex care case manager per EMS region to assist hospitals in transitioning patients to lower levels of post-acute care.

SECTION 7 directs the Secretary of Health and Human Services to launch a regional pilot program to expand long-term care bed capacity in skilled nursing facilities, particularly for patients with dementia or psychiatric diagnoses, while consulting major healthcare stakeholders and supporting workforce development and training.

SECTION 8 amends section 1 of chapter 215, establishing an office of adult guardianship and conservatorship oversight within the probate and family court to protect older adults and adults with disabilities from abuse and neglect, and includes an ombudsman to help expedite and monitor guardianship-related court processes.

SECTION 9 adds a new section 64 to chapter 215, which allows probate courts to set up regular block sessions to handle healthcare-related legal matters, such as guardianship appointments and health care proxies.

SECTION 10 creates a task force to study the co-location of medical and behavioral health services within skilled nursing facilities and explore infrastructure improvements like telehealth support and broadband expansion.

SECTION 11 establishes a pilot program for "teaching" skilled nursing facilities to partner with academic and healthcare institutions to share best practices, enhance resident care, and encourage careers in geriatrics and long-term care.

SECTION 12 mandates a public outreach campaign to recruit qualified individuals (e.g., retired professionals) to serve as guardians or conservators for individuals without representatives. This effort must be developed in consultation with legal, healthcare, and advocacy organizations.