




Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
www.mass.gov/masshealth

MassHealth
Nursing Facility Bulletin 165
June 2021

TO: Nursing Facilities Participating in MassHealth
FROM: Daniel Tsai, Assistant Secretary for MassHealth 
RE: Claiming, Refund, and Reporting Requirements for Patient Paid Amount Retroactive Decreases for Residents of Nursing Facilities

Background

In accordance with federal requirements and in response to recent federal guidance, MassHealth is applying retroactive decreases to the Patient Paid Amounts (PPA) for MassHealth members who were residents of a MassHealth nursing facility between April 1, 2020, and November 30, 2020, and who saw an increase in their PPA during that time.

As a result, nursing facilities must adjust their MassHealth claims for the period from April 1, 2020, through November 30, 2020, to account for this retroactive decrease and must provide refunds to members in accordance with this bulletin. To ensure that each nursing facility provides refunds to members who are owed such refunds, each nursing facility must comply with the reporting requirements established in this bulletin.

Additionally, MassHealth froze PPA increases for its members beginning in February 2021 to ensure that no MassHealth members faced inappropriate PPA increases. **This freeze was lifted on May 17, 2021, at which point PPAs for some MassHealth members may have increased prospectively according to normal PPA rules.**

The requirements described in this bulletin apply to all nursing facilities that are enrolled as MassHealth providers.

Manual Claims Adjustment Requirements

Each nursing facility must manually adjust and resubmit claims to account for any retroactive decreases in PPA for any MassHealth members who resided in the facility between April 1, 2020, and November 30, 2020. **Nursing facilities must complete this manual claims adjustment process by July 30, 2021.**

MassHealth will issue notices in June 2021 to notify nursing facilities of any retroactive decreases in PPA. Each nursing facility will receive a notice for each instance of a retroactive decrease for each member who resided in the facility between April 1, 2020, and November 30, 2020, and whose PPA is being retroactively decreased. The retroactive decreases are being applied in the same amount of each PPA increase for each member that occurred between April 1, 2020, and November 30, 2020. Therefore, it is possible that a single member may receive more than one retroactive decrease in their PPA (if, for example, the member faced more than one PPA increase between April 1, 2020, and November 30, 2020). Nursing facilities should ensure that all retroactive decreases are

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accounted for when adjusting their claims and resubmitting them to MassHealth. Facilities should receive payments reflecting their adjusted claims approximately one month after their adjusted claims submission. MassHealth will issue detailed instructions for nursing facilities to follow when manually adjusting their claims to account for the retroactive PPA decreases.

Resident PPA Refund Requirements

Each nursing facility must provide all required refunds to affected residents, reflecting the retroactive decreases to PPA, by August 30, 2021. The refund for each affected resident should equal the total amount of a resident's PPA increases during the period from April 1, 2020, and November 30, 2020, that were actually paid by the resident or their representatives.

Nursing facilities may place refunded PPA funds into members' personal needs accounts (PNA), as long as the facility is in compliance with the PNA provisions under 130 CMR 456.601 through 456.615. If a resident who is owed a refund or their representative requests the nursing facility to deposit or provide the funds in a different manner, the nursing facility should work with the resident or their representative to provide the funds in the manner requested to the extent possible.

For members who resided at a nursing facility between April 1, 2020, and November 30, 2020, and are owed a refund for that time period but who have since been transferred or discharged or who are now deceased, nursing facilities should follow the rules established under 130 CMR 456.423: *Patient-Paid Amount*. However, if the former resident or their representative requests the facility to deposit or provide the funds directly to the former resident or their representative, nursing facilities should work with the former resident or their representative to provide the funds in the manner requested to the extent possible. Nursing facilities must make every effort to locate former residents or their representatives to ensure funds are returned to the former resident or their estate. If a facility has made every effort and cannot locate a discharged resident or a discharged resident's representative, the funds should be treated in the same manner as PNA funds under 130 CMR 456.614(B).

Nursing facilities that do not have sufficient funds to provide PPA refunds by August 30, 2021, may request an advance payment from MassHealth. **Facilities must request the advance payment by July 1, 2021, to receive the advance payment by mid-July, or by August 1, 2021, to receive the advance payment by mid-August.** MassHealth will reconcile these advance payments by retaining an amount equal to the advance payment from the claims adjustment payments processed by MassHealth based on the claims adjustments submitted or, if necessary, from claims processed on or after September 1, 2021.

PPA Refund Reporting Requirements

To ensure that all members who are owed a refund due to the retroactive PPA decreases described in this bulletin receive said refund, all nursing facilities must submit a PPA Refund Report to the Center for Health Information Analysis (CHIA) via the CHIA submissions web portal by September 30, 2021. The submitted PPA Refund Report must include all information requested in the PPA Refund Report template, which will include, but is not limited to:

- The members who resided at the facility at any point between April 1, 2020, and November 30, 2020, who received a PPA refund from the facility, and the total amount of the refund actually paid to the member;

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- The members who resided at the facility at any point between April 1, 2020, and November 30, 2020, for whom MassHealth implemented a retroactive PPA decrease but who have not received a PPA refund from the facility equaling the total amount of the retroactive decrease. For each of these members, the facility must also indicate:
 - what amount, if any, was refunded to the member or their representative; and
 - the reason for the incomplete refund (e.g. the member no longer resides at the facility and could not be located, the member did not pay the PPA increase when it was implemented, the member was in arrears with PPA amounts and the facility applied the refund to the members' debt, refund is in progress but not completed, etc.).

The administrator or other appropriate representative from each nursing facility must submit the PPA Refund Report using the prescribed reporting form via the [CHIA Submissions web portal](#) by September 30, 2021, and must include all of the information described above as well as any additional information requested through the reporting form. A login is not required to access the CHIA Submissions web portal.

In conjunction with the PPA Refund Report, the administrator or other appropriate representative from each nursing facility must also submit a signed and scanned copy of the executed attestation, attached to this nursing facility bulletin as Appendix A, that the information submitted through the PPA Refund Report is complete and accurate.

Non-compliance

All participating MassHealth nursing facility providers must submit the reporting and attestation forms required by this bulletin. If MassHealth determines through the information submitted in the report, or through other information available to MassHealth, that the facility has failed to provide the required PPA refunds to members or that the facility is requiring members to pay PPA amounts in a manner inconsistent with MassHealth PPA notices, the facility may be subject to overpayment or sanction action under 130 CMR 450.235: *Overpayments* and/or 130 CMR 450.238: *Sanctions: General*.

Further, if MassHealth determines that a nursing facility provider has made false or misleading representations through the submissions required by this bulletin, MassHealth may pursue sanctions against the provider under 130 CMR 450.238: *Sanctions: General*. MassHealth reserves the right to request and review documentation, conduct on-site audits, or use any information available to it to determine if a facility is accurately representing its PPA refunds through its submissions under this bulletin.

MassHealth will also refer providers to the Medicaid Fraud Division in the Attorney General's Office, as appropriate.

MassHealth Website

This bulletin is available on the [MassHealth Provider Bulletins](#) web page.

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Questions

If you have questions about the information in this bulletin, please email your inquiry to CHIANursingFacilityData@massmail.state.ma.us.

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**Appendix A
Nursing Facility Provider Attestation to
PPA Refunds Reporting Accuracy**

I, _____, hereby certify under the pains and penalties of perjury that I am the administrator or other duly authorized officer or representative of _____, located at _____, (hereinafter “nursing facility”) and that the information provided in this attestation is a true and accurate representation.

Specifically, I represent and warrant that the information submitted to MassHealth regarding PPA refunds to MassHealth members via the Center for Health Information Analysis (CHIA) Submissions web portal, in accordance with the requirements of MassHealth Nursing Facility Bulletin 165, is a complete and accurate representation of the members who resided at my facility between April 1, 2020, and November 30, 2020, for whom MassHealth applied a retroactive PPA decrease and who received PPA refunds from my facility.

Under the pains and penalties of perjury, I hereby certify that the above information is true and correct.

Printed Name: _____

Title: _____

Signature: _____

Date: _____

Please submit a scanned copy of the executed attestation via the [CHIA Submissions web portal](#) by the attestation submissions deadline established in MassHealth Nursing Facility Bulletin 165.

The nursing facility should maintain the original executed copy of the submitted attestation, along with the PPA Refund Report, in its files.