

CHASE Workgroup Meeting #1

December 16, 2024

New Regulatory Requirements

- Average Commercial Rate (ACR) rate ceiling for hospital state directed payments (rating periods on or after July 9, 2024)
 - CMS will allow total payment rates in a state directed payment up to the ACR for certain services.
 - CMS will impose the ACR as the regulatory limit on the projected total payment rate for IP/OP services.
 - ACR demonstration should be submitted with initial preprint submission and then updated at least every three years
- SDP preprint must be submitted by payment start date (rating periods on or after July 9, 2026)
 - SDP sections of rate certification and MCO contract must be submitted within 120 days after the payment start date
 - No allowance for retro cap changes unless “a material error in the data, assumptions, or methodologies”.
- Publicly post detailed evaluation reports every 3 years for SDPs > 1.5% of MCO payments (rating periods beginning on or after July 9, 2027)
 - Must include 2+ metrics tied to State quality strategy
 - CMS can deny renewals if no meaningful improvement
- Elimination of Separate Payment Terms (after July 9, 2027)
 - Require SDPs to be included in actuarially sound capitation rates

