

**Commonwealth of Massachusetts
Executive Office of Health and Human Services**

NOTICE OF PUBLIC HEARING

Under the authority of M.G.L. c. 118E and in accordance with M.G.L. c. 30A, the Executive Office of Health and Human Services (EOHHS) will hold three remote public hearings on Friday, January 23, 2026, at the respective times listed below relative to the adoption of amendments to the following regulations.

Pursuant to M.G.L. Chapter 118E, Section 13D (f/k/a Chapter 257 of the Acts of 2008), EOHHS is required to establish, by regulation, and biennially review the rates to be paid by governmental units to providers of social service programs, which include the services in these regulations. There is no fiscal impact on cities and towns.

(1) 10:00 a.m.: 101 CMR 422.00: Rates for General Programs – Disability Services

101 CMR 422.00 establishes the payment rates for general programs - disability services provided to publicly aided individuals by governmental units under EOHHS' regulatory authority. Services with rates established by this regulation are purchased by the Department of Developmental Services, the Massachusetts Commission for the Blind, and MassAbility (formerly the Massachusetts Rehabilitation Commission).

The rates for general programs – disability services are being updated to include an increase by a cost adjustment factor (CAF) of 2.53% and incorporate salary benchmarks derived from the Bureau of Labor Statistics (BLS) median salary, May 2024 edition at the 53rd percentile. The CAF was determined by using baseline and prospective Massachusetts Economic Indicator data from IHS Economics – Spring 2025 Forecast, baseline scenario data. The CAF reflects the period between the rates' base period (calendar year 2025 Q4) and the prospective calendar year 2026 Q1 through calendar year 2027 Q4. The tax and fringe rate has been benchmarked to 24.97% and the administrative allocation has been benchmarked to 12%. We are also renaming the chapter to better align with how it's defined in the regulation.

The total annualized cost to state government from the increase in rates proposed by this regulation is approximately \$592,753, which represents an increase of 6.11% over FY25 rate spending of approximately \$9.6 million. These costs will not be realized until January 1, 2026, at which point the FY26 fiscal impact to state government will be \$296,376 for the increase to existing rates. The increase in spending in FY26 will be covered through the Chapter 257 Reserve Account.

The proposed regulation contains rates for dates of service on or after January 1, 2026.

(2) 11:00 a.m.: 101 CMR 330.00: Rates for Team Evaluation Services

101 CMR 330.00 governs payment rates for team evaluation services provided to publicly aided individuals by governmental units.

The rates for team evaluation services are being updated to include an increase by a cost adjustment factor (CAF) of 7.32%. The CAF was calculated based on the optimistic forecast of the Spring 2025 Massachusetts Economic Indicators data developed by S&P Global Market Intelligence. The tax and fringe rate was benchmarked to 24.97% based on the Approved Fiscal Year 2025 Fringe Benefit and Payroll Tax Rates from the Commonwealth of Massachusetts Office of the Comptroller. Salary benchmarks use data from the Bureau of Labor Statistics (BLS) May 2024 State Occupational Employment and Wage Estimates. Finally, productivity factors were updated to reflect current assumptions.

The estimated annual fiscal impact of the proposed amendments is an increase of \$3,712, or a 0.36% increase over the current spending of \$1,031,222. Due to the lack of centralized utilization data, the estimated current utilization data is based on the projected annual spending from the previous rate review.

The proposed regulation contains rates effective for dates of service on or after March 1, 2026.

(3) 12:00 p.m.: 101 CMR 413.00: Payments for Youth Intermediate-Term Stabilization Services

101 CMR 413.00 establishes the payment rates for youth intermediate-term stabilization services provided to publicly aided individuals by governmental units. These services are purchased by the Department of Youth Services (DYS).

The rates for youth intermediate-term stabilization services are being updated to include an increase by cost adjustment factor (CAF) of 2.53%. The CAF was determined by using baseline and prospective Massachusetts Economic Indicator data from IHS Economics – Spring 2025 Forecast, optimistic scenario data. The CAF reflects the period between the rates' base period (calendar year 2025 Q4) and the prospective period of calendar years 2026 and 2027. Staff salaries have been benchmarked to the Massachusetts Bureau of Labor Statistics (BLS) wages as dated May 2024 at the 53rd percentile. The tax and fringe rate has been benchmarked to 24.97% and the administrative allocation has been benchmarked to 12%.

The total estimated annualized cost to state government from the increase in rates established by these proposed amendments is \$3.3 million, which represents an increase of 5.77% over FY25 spending of \$57.7 million. These costs will not be realized until January 1, 2026, at which point the FY26 fiscal impact to state

government will be approximately \$1.67 million for the increase to existing rates. The increase in spending will be covered through the Chapter 257 Reserve Account.

The proposed regulation contains rates effective for dates of service on or after January 1, 2026.

To register to testify at either hearing and to get instructions on how to join the hearing online, go to www.mass.gov/info-details/executive-office-of-health-and-human-services-public-hearings. To join the hearing by phone, call (646) 558-8656 and enter meeting ID 935 397 8200# when prompted.

You may also submit written testimony instead of, or in addition to, live testimony. To submit written testimony, please email your testimony to ehs-regulations@mass.gov as an attached Word or PDF document or as text within the body of the email with the name of the regulation in the subject line. All written testimony must include the sender's full name, mailing address, and organization or affiliation, if any. Individuals who are unable to submit testimony by email should mail written testimony to EOHHS, c/o D. Briggs, 100 Hancock Street, 6th Floor, Quincy, MA 02171. Written testimony will be accepted through 5:00 p.m. on Friday, January 23, 2026. EOHHS specifically invites comments as to how the amendments may affect beneficiary access to care for MassHealth-covered services.

To review the current drafts of the proposed regulations, go to www.mass.gov/info-details/executive-office-of-health-and-human-services-public-hearings or request a copy in writing from MassHealth Publications, 100 Hancock Street, 6th Floor, Quincy, MA 02171. To view or download related supporting materials, go to www.mass.gov/info-details/proposed-regulations-supporting-materials.

Special accommodation requests may be directed to the Disability Accommodations Ombudsman by email at ADAAccommodations@mass.gov or by phone at (617) 847-3468 (TTY: (617) 847-3788 for people who are deaf, hard of hearing, or speech disabled). Please allow two weeks to schedule sign language interpreters.

EOHHS may adopt a revised version of the proposed regulations taking into account relevant comments and any other practical alternatives that come to its attention.

In case of inclement weather or other emergency, hearing cancellation announcements will be posted on the MassHealth website at www.mass.gov/info-details/executive-office-of-health-and-human-services-public-hearings.

January 2, 2026

Small Business Impact Statement

(As required by M.G.L. c. 30A §§ 2, 3 & 5)

CMR No and Title: 101 CMR 330.00: *Rates for Team Evaluation Services*

Estimate of the Number of Small Businesses Impacted by the Regulation: 400

- **Will small businesses have to create, file, or issue additional reports?**
No. Small businesses will not have to create, file, or issue additional reports as a result of the proposed amendments to this regulation.
- **Will small businesses have to implement additional recordkeeping procedures?**
No. Small businesses will not have additional responsibilities to keep records as a result of the proposed amendments to this regulation.
- **Will small businesses have to provide additional administrative oversight?**
No. Small businesses are not required by this regulation to provide additional administration oversight as a result of the proposed amendments to this regulation.
- **Will small businesses have to hire additional employees in order to comply with the proposed regulation?**
No. This regulation does not require small businesses to hire additional employees to remain in compliance.
- **Does compliance with the regulation require small businesses to hire other professionals (e.g. a lawyer, accountant, engineer, etc.)?**
No. Small businesses are not required by this regulation to hire other professionals.
- **Does the regulation require small businesses to purchase a product or make any other capital investments in order to comply with the regulation?**
No. This regulation does not require small businesses to purchase any particular product or make any capital investments.
- **Are performance standards more appropriate than design/operational standards to accomplish the regulatory objective?**
(Performance standards express requirements in terms of outcomes, giving the regulated party flexibility to achieve regulatory objectives and design/operational standards specify exactly what actions regulated parties must take.)
No. The regulation is required by statute under M.G.L. Chapter 118E, Section 13D and establishes the rates to be paid by governmental units to providers of team evaluation services.
- **Do any other regulations duplicate or conflict with the proposed regulation?**
No regulations duplicate or conflict with this regulation.
- **Does the regulation require small businesses to cooperate with audits, inspections or other regulatory enforcement activities?**
Yes. The regulation requires providers to periodically file cost data to enable EOHHS to develop rates for certain social service programs. This cost reporting requirement is applied uniformly to all providers to enable EOHHS to develop accurate rates that reflect cost data from all providers.
- **Does the regulation require small businesses to provide educational services to keep up to date with regulatory requirements?**

No. This regulation does not require small businesses to provide educational services to keep up to date with the regulatory requirements.

- **Is the regulation likely to *deter* the formation of small businesses in Massachusetts?**

No. The regulation is not likely to deter or encourage the formation of small businesses in Massachusetts as this regulation establishes rates by which providers of certain social service programs are to be paid when services are purchased by governmental units.

- **Is the regulation likely to *encourage* the formation of small businesses in Massachusetts?**

No. The regulation is not likely to deter or encourage the formation of small businesses in Massachusetts as this regulation establishes rates by which providers of certain social service programs are to be paid when services are purchased by governmental units.

- **Does the regulation provide for less stringent compliance or reporting requirements for small businesses?**

No. The regulation contains requirements to report cost data to EOHHS to enable EOHHS to develop rates for certain social services. This cost reporting requirement is applied uniformly to all providers to enable EOHHS to develop accurate rates that reflect cost data from all providers.

- **Does the regulation establish less stringent schedules or deadlines for compliance or reporting requirements for small businesses?**

No. The regulation contains requirements to report cost data to EOHHS to enable EOHHS to develop rates for certain social services. The time frame for cost reporting is applied uniformly to all providers to enable EOHHS to timely develop accurate rates that reflect cost data from all providers.

- **Did the agency consolidate or simplify compliance or reporting requirements for small businesses?**

No. The agency did not consolidate or simplify compliance or reporting requirements for small businesses. The requirement to report cost data to EOHHS is applied uniformly to enable EOHHS to timely develop accurate rates that reflect cost data from all providers.

- **Can performance standards for small businesses replace design or operational standards without hindering delivery of the regulatory objective?**

No. The establishment of rates for certain social service providers by regulation is a statutory requirement under M.G.L. Chapter 118E, Section 13D.

- **Are there alternative regulatory methods that would minimize the adverse impact on small businesses?**

No. The regulation does not have an adverse impact on small businesses. The regulation establishes rates by which certain social service providers are to be paid when services are purchased by governmental units. The establishment of rates for these social services by regulation is a statutory requirement under M.G.L. Chapter 118E, Section 13D.