

**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**NOTICE OF FINAL AGENCY ACTION**

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 a remote public hearing on **Friday, November 1, at 10 a.m.** relative to the emergency adoption of amendments to the following regulation.

**101 CMR 206.00: Standard Payments to Nursing Facilities**

The amendments to 101 CMR 206.00 implement Fiscal Year 2025 (FY25) budget requirements. The following adjustments are being made to the rates, consistent with the FY25 budget:

- 1) applying an updated cost adjustment factor of 23.50% to 2019 nursing and operating costs and of 8.02% to 2019 capital payments;
- 2) increasing the maximum increase cap on capital payment rates from 30% to 50% of the capital payment rates in effect on September 30, 2021; and amending certain aspects of existing rate adjustments, add-ons, including but not limited to removing the description of the COVID-19 Testing Supplemental Payment program that has ended;
- 3) establishing a new Add-on for Dialysis Services Provided at an Affiliated Inpatient Chronic Disease and Rehabilitation Hospital to allow nursing facilities to receive payment when members receive dialysis services at an affiliated inpatient chronic disease and rehabilitation hospital; and
- 4) establishing a Supplemental Payment for Qualified Nursing Facilities Located Near North Adams to allocate supplemental payments to facilities located within 17 miles of 71 Hospital Avenue in North Adams, MA in proportion to qualified facilities' Massachusetts Medicaid days.

The regulation will go into effect as an emergency on October 1, 2024.

The annual fiscal impact of these amendments for the MassHealth Nursing Facility program is estimated to be \$43,000,000.

To register to testify at the hearing and to get instructions on how to join the hearing online, go to [www.mass.gov/service-details/executive-office-of-health-and-human-services-public-hearings](http://www.mass.gov/service-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](mailto: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, 6<sup>th</sup> Floor, Quincy, MA 02171. Written testimony will be accepted through 5:00 p.m. on Friday, November 1. EOHHS specifically invites comments as to how the amendments may affect beneficiary access to care.

To review the emergency regulation, go to [www.mass.gov/service-details/executive-office-of-health-and-human-services-public-hearings](http://www.mass.gov/service-details/executive-office-of-health-and-human-services-public-hearings) or request a copy in writing from MassHealth Publications, 100 Hancock Street, 6<sup>th</sup> Floor, Quincy, MA 02171.

Special accommodation requests may be directed to the Disability Accommodations Ombudsman by email at [ADAAccommodations@mass.gov](mailto: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 final, revised version of the emergency regulation 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/service-details/executive-office-of-health-and-human-services-public-hearings](http://www.mass.gov/service-details/executive-office-of-health-and-human-services-public-hearings).

September 27, 2024

## Small Business Impact Statement

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

**CMR No: 101 CMR 206.00: *Standard Payments to Nursing Facilities***

**Estimate of the Number of Small Businesses Impacted by the Regulation: SBA database searches returned 28 results for NAICS code 623110 (“Nursing Care Facilities”) and no results for 623311 (“Continuing Care Retirement Communities”).**

### Select Yes or No and Briefly Explain

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Will small businesses have to create, file, or issue additional reports?  The regulation requires nursing facilities to submit cost and financial statements, but this is not a new requirement. The regulation also requires nursing facilities seeking certain additional payment add-ons and adjustments to submit reports demonstrating their eligibility and/or compliance.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Will small businesses have to implement additional recordkeeping procedures?  Certain additional payment add-ons and adjustments require nursing facilities to maintain up-to-date records on eligibility and/or compliance; but there are no new requirements as a result of this regulation.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Will small businesses have to provide additional administrative oversight?  The regulation does not require additional administrative oversight.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Will small businesses have to hire additional employees in order to comply with the proposed regulation?  Compliance does not require hiring additional employees.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Does compliance with the regulation require small businesses to hire other professionals (e.g. a lawyer, accountant, engineer, etc.)?  Compliance does not require hiring other professionals.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Does the regulation require small businesses to purchase a product or make any other capital investments in order to comply with the regulation?  The regulation does not require purchases or capital investments.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	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.)  Performance standards are not more appropriate than design or operational standards.

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Do any other regulations duplicate or conflict with the proposed regulation?  No other regulations duplicate or conflict with the proposed regulation.
Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Does the regulation require small businesses to cooperate with audits, inspections or other regulatory enforcement activities?  The regulation requires all nursing facilities to comply with audits and produce records requested by EOHHS, but this is not a new requirement. The regulation does not distinguish between small and other businesses.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Does the regulation require small businesses to provide educational services to keep up to date with regulatory requirements?  The regulation does not require small businesses to provide educational services to keep up to date with regulatory requirements.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Is the regulation likely to <i>deter</i> the formation of small businesses in Massachusetts?  The regulation establishes new and updated payment methodologies for providers and is unlikely to deter or encourage the formation of small businesses.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Is the regulation likely to <i>encourage</i> the formation of small businesses in Massachusetts?  The regulation establishes new and updated payment methodologies for providers and is unlikely to deter or encourage the formation of small businesses.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Does the regulation provide for less stringent compliance or reporting requirements for small businesses?  The regulation does not distinguish between small and other businesses.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Does the regulation establish less stringent schedules or deadlines for compliance or reporting requirements for small businesses?  The regulation does not distinguish between small and other businesses.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Did the agency consolidate or simplify compliance or reporting requirements for small businesses?  The regulation does not distinguish between small and other businesses.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Can performance standards for small businesses replace design or operational standards without hindering delivery of the regulatory objective?  Distinguishing small businesses from other businesses would not be practicable for this regulation.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Are there alternative regulatory methods that would minimize the adverse impact on small businesses?  Payment methodologies for nursing facilities are required by statute to be established through regulation.