

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, June 26, 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 for social service programs, which include the services described below.

In accordance with this requirement, the rates for the services described below are being updated to include an increase by a cost adjustment factor (CAF) of 3.00%. The CAF was determined by using the Massachusetts Economic Indicator data from IHS Economics – Fall 2025 Forecast, baseline scenario data. The CAF reflects the period between the rates' base period (calendar year 2026 Q2) and the prospective period of fiscal years 2027 and 2028. Staff salaries have been benchmarked to the Massachusetts Bureau of Labor Statistics (BLS) median wages as dated May 2024 at the 53rd percentile. The tax and fringe rate has been benchmarked to 24.97%. This benchmark is derived from the MA Comptrollers FY25 approved rate less terminal leave and retirement. The administrative allocation has been benchmarked to 12%, which is the standard rate applied across all Chapter 257 regulations.

The proposed regulations contain rates effective for dates of service on or after July 1, 2026. There is no fiscal impact on cities and towns.

Hearing 1: 10:00 a.m.: 101 CMR 426.00: Rates for Certain Adult Community Mental Health Services

101 CMR 426.00 establishes the payment rates for certain adult community mental health services provided to publicly aided individuals by governmental units. Services with rates established by this regulation are purchased by the Department of Mental Health (DMH).

At this time, the rates for all adult community mental health services in this chapter are being updated.

The total annualized cost to state government is approximately \$25.3 million, which represents an increase of 5.38% over FY25 spending of approximately \$470.7 million. The increase in spending in FY27 will be covered through the Chapter 257 Reserve Account.

Hearing 2: 11:00 a.m.: 101 CMR 346.00: Rates for Certain Substance-Related and Addictive Disorders Programs

101 CMR 346.00 governs the payment rates for certain substance-related and addictive disorders programs provided to publicly aided individuals by governmental units.

At this time, the rates for residential rehabilitation co-occurring enhanced services are being updated. These services are purchased by the Department of Public Health and MassHealth and provide organized substance-related and addictive disorders treatment and education services in a 24-hour residential setting for individuals with a moderate-to-severe substance use and mental health disorder.

The total estimated FY27 cost from the increase in the residential rehabilitation co-occurring enhanced services rates established by this proposed regulation to DPH is \$476,453, which is a 7.53% increase over FY25 spending of approximately \$6.3 million. The increase in DPH spending will be covered through the Chapter 257 Reserve Account. Any cost incurred by this rate increase to MassHealth will be covered through MassHealth's operating budget.

Hearing 3: 12:00 p.m.: 101 CMR 411.00: Rates for Certain Placement, Support, and Shared Living Services

101 CMR 411.00 governs the rates paid by governmental units for certain placement, support, and shared living services provided to publicly aided individuals. Services with rates established by this regulation are purchased by the Department of Children and Families (DCF), the Department of Youth Services (DYS), the Department of Developmental Services (DDS), MassAbility (MBY), and the Massachusetts Commission for the Blind (MCB).

At this time, most placement, support, and shared living services rates are being updated. However, the rates for all adoption management support services (AMSS) product-based services and the rate for the Youth Permanency Connections service are not being changed at this time due to the upcoming DCF procurement effective January 1, 2027.

The total annualized cost to state government from the proposed amendments to this regulation is approximately \$19.92 million, which represents an increase of 8.77% over FY25 spending of approximately \$227.2 million on these services. Of this amount, the estimated annualized cost to DCF is \$4,154,143; the estimated annualized cost to DHS is \$117,615; the estimated annualized cost to DDS is \$15,510,337; the estimated annualized cost to MBY is \$35,692; and the estimated annualized cost to MCB is \$104,072. The increase in spending in FY27 will be covered through the Chapter 257 Reserve Account.

[To register to testify at the hearings and to get instructions on how to join the hearings online](http://www.mass.gov/info-details/executive-office-of-health-and-human-services-public-hearings), go to www.mass.gov/info-details/executive-office-of-health-and-human-services-public-hearings. To join the hearings 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, June 26, 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](http://www.mass.gov/info-details/executive-office-of-health-and-human-services-public-hearings), 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](http://www.mass.gov/info-details/proposed-regulations-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.

Date of Newspaper Ad: June 5, 2026

Small Business Impact Statement

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

CMR No and Title: 101 CMR 346.00: Rates for Certain Substance-Related and Addictive Disorders Programs
Estimate of the Number of Small Businesses Impacted by the Regulation: 22

- **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 administrative 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 certain social service programs.
- **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.

Small Business Impact Statement

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

CMR No and Title: 101 CMR 411.00: *Rates for Certain Placement, Support, and Shared Living Services*

Estimate of the Number of Small Businesses Impacted by the Regulation: 106

- **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 specific rates to be paid by governmental units for certain social service programs.
- **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. This regulation does require that providers periodically file cost data to enable EOHHS to develop uniform rates for the social service programs with rates governed by this regulation. 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 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 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 that are reasonable and adequate to meet the costs that are incurred by efficiently and economically operated social service program providers. 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 that are reasonable and adequate to meet the costs that are incurred by efficiently and economically operated social service program providers. This 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. This regulation does not consolidate or simplify compliance or reporting requirements for small businesses. The proposed amendments only update the rates to be paid by governmental units for certain social service program services, as required by statute.

- **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 program services by this 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 uniform rates to be paid by governmental units to providers of certain social service programs, as required by statute.

Small Business Impact Statement

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

CMR No and Title: 101 CMR 426.00: Rates for Certain Community Mental Health Services
Estimate of the Number of Small Businesses Impacted by the Regulation: 36

- **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 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 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 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 certain social service programs.
- **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.