

**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 12, 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 and biennially review the rates to be paid by governmental units for social service programs. The proposed amendments update certain rates by a cost adjustment factor (CAF) of 3.00%. The CAF was determined by using baseline and prospective 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. The rates for these services have been updated with the weighted average expenses from the FY24 Uniform Financial Statements and Independent Auditor's Reports (UFRs) for services' programmatic costs, where applicable. 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%, consistent with other Chapter 257 programs.

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.

1. 9:30 a.m.: 101 CMR 410.00: Rates for Competitive Integrated Employment Services

101 CMR 410.00 governs the payment rates for competitive integrated employment services provided to publicly aided individuals by governmental units. These services are purchased by the Massachusetts Commission for the Blind (MCB), MassAbility (MBY), and the Department of Transitional Assistance (DTA).

A new level of retention supports, sustained employment supports, is being introduced by DTA and is supported by the other purchasing agencies. This new service will give the providers more flexibility and options to help attract and retain staffing.

The total annualized cost to state government from the proposed amendments to this regulation is approximately \$2.39 million, which represents an increase of 9.77% over FY25 spending of approximately \$24.48 million. The increase in spending in FY27 will be covered through a combination of the Chapter 257 Reserve Account and the purchasing departments' FY27 budgets.

2. 10:30 a.m.: 101 CMR 420.00: Rates for Adult Long-Term Residential Services

101 CMR 420.00 governs the payment rates for adult long-term residential services provided to publicly aided individuals by governmental units. These services are purchased by the Department of Developmental Services (DDS), the Massachusetts Commission for the Blind (MCB), and MassAbility (MBY).

The geographic regions, now called occupancy rate zones, have been expanded from four areas to five to include a new "Cape and Islands" region that will help agencies and providers service their communities more effectively.

The total annualized cost to state government from the proposed amendments to this regulation is approximately \$188.6 million, which represents an increase of 8.92% over FY25 spending of approximately \$2.11 billion on these services. Of this amount, the estimated annualized cost to DDS is \$185,606,442; the estimated annualized cost to MCB is \$2,017,065; and the estimated annualized cost to MBY is \$957,773. The increase in spending in FY27 will be covered through the Chapter 257 Reserve Account.

3. 11:30 a.m.: 101 CMR 424.00: Rates for Certain Developmental and Support Services

101 CMR 424.00 governs the rates paid by governmental units for certain developmental and support services provided to publicly aided individuals. These services are purchased by the Department of Developmental Services (DDS) and MassAbility (MBY).

At this time, only the rates for corporate representative payee and remote supports and monitoring are being updated.

The total annualized cost to state government from the proposed amendments to this regulation is approximately \$265,446, which represents an increase of 7.03% over FY25 spending of approximately \$3.77 million. 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, 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 12, 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.

May 22, 2026

Small Business Impact Statement

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

CMR No and Title: 101 CMR 410.00: Rates for Competitive Integrated Employment Services
Estimate of the Number of Small Businesses Impacted by the Regulation: 27

- **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. 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.
- **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 420.00: Rates for Adult Long-Term Residential Services

Estimate of the Number of Small Businesses Impacted by the Regulation: 200

- **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.

Small Business Impact Statement

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

CMR No and Title: 101 CMR 424.00: *Rates for Certain Developmental and Support Services*
Estimate of the Number of Small Businesses Impacted by the Regulation: 79

- **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.