

**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 a remote public hearing on Friday, July 11, 2025, at 11:00 a.m. relative to the emergency adoption of amendments to the following regulation.

**101 CMR 346.00: Rates for Certain Substance-Related and Addictive Disorders Programs**

The regulation went into effect as an emergency on July 1, 2025. There is no fiscal impact on cities and towns.

101 CMR 346.00 governs the payment rates for certain substance-related and addictive disorders programs provided to publicly aided individuals by governmental units. Pursuant to M.G.L. Chapter 118E, Section 13D, EOHHS is required to establish, by regulation, rates to be paid by governmental units for health services and social service programs. In accordance with this statutory requirement, the proposed amendments to 101 CMR 346.00 update the rates to be paid by governmental units for Residential Rehabilitation programs including Clinically Managed Detoxification Programs; Supportive Case Management services; Triage, Engagement, and Assessment (TEA) program services; Office-Based Opioid Treatment (OBOT) ambulatory and recovery coach; and Opioid Treatment Program (OTP) services. The proposed amendments to these service rates include an increase by a cost adjustment factor (CAF) of 3.25%, effective July 1, 2025. The CAF was determined by using baseline and prospective Massachusetts Economic Indicator data from IHS Economics – Fall 2024 Forecast, baseline scenario data. The CAF reflects the period between the rates' base period (calendar year 2025 Q2) and the prospective period of fiscal years 2026 and 2027. In addition to the CAF, the rates for all services have been updated to include all staff salaries, benchmarked to the most recent Massachusetts Bureau of Labor Statistics (BLS) wages dated May 2023 at the 53<sup>rd</sup> percentile. The programmatic expenses are benchmarked to the Uniform Financial Statements and Independent Auditor's Report (UFR) and the purchaser's recommendations. The administrative allocation is benchmarked to 12% and the tax and fringe rate has been benchmarked to 24.97%. This benchmark is derived from the MA Comptroller's FY25 approved rate, less terminal leave and retirement.

At the request of the provider community, the proposed amendments also incorporate the rates for Opioid Treatment Programs (OTPs) into this regulation. These OTP rates are currently in 101 CMR 444.00: *Rates for Certain Substance Use Disorder Services*; however, they have been noted for removal, effective July 1, 2025.

Additionally, the proposed amendments include a new rate aimed to improve access to medications for opioid use disorders (MOUD), including methadone, for nursing facility residents with substance use disorders (SUD). The purpose of the rate is to incentivize OTPs to work more closely with nursing facilities to deliver medications directly to residents and reduces the need for daily resident transportation to OTPs, thereby generating savings from reduced transportation costs.

The estimated fiscal impact of the proposed amendments to the clinically managed detoxification programs; supportive case management services; triage, engagement, and assessment (TEA) program services; and office-based opioid treatment (OBOT); ambulatory and recovery coach rates for DPH is an overall annualized increase in state spending of 13.11% or approximately \$9.76 million over FY24 spending of \$74.4 million. The estimated fiscal impact to MassHealth is an overall annualized increase in spending of 13.47% or approximately \$1.6 million over FY24 fee-for-service spending of \$11.9 million. The increase in spending in FY26 will be covered through a combination of the Chapter 257 Reserve Account and the DPH and MassHealth FY26 operating budgets.

The estimated fiscal impact of the rates for OTP services being incorporated into the regulation is estimated to be \$14.8 million for DPH and \$18.7 million for MassHealth and will be covered through a combination of the Chapter 257 Reserve Account and the DPH and MassHealth FY26 operating budgets.

The estimated fiscal impact of the new medication access rate is approximately \$900,000 and will be covered through the MassHealth agency's operating budget.

To register to testify at the 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](http://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](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, July 11, 2025. EOHHS specifically invites comments as to how the amendments may affect beneficiary access to care for MassHealth-covered services.

To review the emergency regulation, go to [www.mass.gov/info-details/executive-office-of-health-and-human-services-public-hearings](http://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, 6<sup>th</sup> Floor, Quincy, MA 02171. To view or download related supporting materials, go to [www.mass.gov/info-details/proposed-regulations-supporting-materials](http://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](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/info-details/executive-office-of-health-and-human-services-public-hearings](http://www.mass.gov/info-details/executive-office-of-health-and-human-services-public-hearings).

June 20, 2025

## Small Business Impact Statement

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

**CMR No: 101 CMR 346.00**

**Estimate of the Number of Small Businesses Impacted by the Regulation: 96**

**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? No. Small businesses will not have to create, file, or issue additional reports as a result of the proposed amendments to this regulation.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	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.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	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.
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? No. This regulation does not require small businesses to hire additional employees to remain in compliance.
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.)? No. Small businesses are not required by this regulation to hire 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? No. This regulation does not require small businesses to purchase any particular product or make any 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.) 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.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Do any other regulations duplicate or conflict with the proposed regulation? No regulations duplicate or conflict with this 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? 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.
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? No. This regulation does not require small businesses to provide educational services to keep up to date with the regulatory requirements.
Yes <input type="checkbox"/>	No <input type="checkbox"/>	Is the regulation likely to <i>deter</i> the formation of small businesses in Massachusetts?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	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.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Is the regulation likely to <i>encourage</i> 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.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	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.
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? 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.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	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.
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? No. The establishment of rates for certain social service providers by regulation is a statutory requirement under M.G.L. Chapter 118E, Section 13D.
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	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.