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Administrative Bulletin 26-22

101 CMR 512.00: Nursing Facility User Fees

Effective October 1, 2026

Offset Procedures for Non-Payment of User Fees

Executive Office of Health and Human Services Offset Procedure Clarification

The Executive Office of Health and Human Services (EOHHS) is issuing this administrative bulletin pursuant to [101 CMR 512.00](#) to update and clarify EOHHS procedures for collecting the user fee assessment from nursing facilities that are not compliant with the quarterly user fee payment and form submission requirements in [101 CMR 512.00](#). This administrative bulletin updates and supersedes [Administrative Bulletin 25-23: Nursing Facility User Fees: Offset Procedures for Non-Payment of User Fees](#) (effective October 1, 2025) and applies to all outstanding quarterly user fee filing forms and assessment payments as of October 1, 2026.

1. Pursuant to 101 CMR 512.05(3), each nursing facility, regardless of group classification, must determine the amount of the assessment owed for each quarter and submit a user fee filing form and full user fee payment on the following schedule.

Quarterly Nursing Facility User Fee Payment and Filing Schedule

Assessment Period	Payment and Form Due Date
July 1—September 30	November 1
October 1—December 31	February 1
January 1—March 31	May 1
April 1—June 30	August 1

To comply with the user fee payment due date, the payment must be postmarked or electronically submitted on or before midnight on the due date. If for any reason a payment is rejected, regardless of when it was postmarked or electronically submitted, it will not be considered received. To comply with the user fee filing form due date, the form must be submitted electronically by midnight on the due date.

2. Pursuant to [101 CMR 512.06\(4\)](#), if a nursing facility fails to submit a user fee filing form by the due date specified in Paragraph 1 of this bulletin, EOHHS will assess a penalty of \$100 per day for each day the filing form is late, starting the day after the due date.
3. If a nursing facility fails to submit the quarterly user fee payment by the due date in Paragraph 1 of this bulletin, EOHHS will send the facility an initial notice notifying the facility of its delinquency. If the nursing facility has not yet submitted the user fee filing form, the initial notice will specify a presumptive assessment amount determined by EOHHS based on the nursing facility's prior quarterly assessments.
4. Pursuant to [101 CMR 512.05\(5\)](#), if a facility pays an assessment within 30 days after the due date, EOHHS will assess prorated interest at a rate of 1.5% per month on the outstanding balance, calculated from the due date. In this scenario, upon receipt of payment, EOHHS will notify the facility of the amount of interest due. Alternatively, facilities may proactively ask EOHHS for the prorated interest calculation if they would like to include that amount with their payment of the principal.
5. Notwithstanding Paragraph 4 of this bulletin, EOHHS will not assess interest for the third calendar quarter of 2026 (July 1, 2026, through September 30, 2026) for a facility that does not pay its assessment on time if the facility submits the required user fee filing form for that calendar quarter by the due date in Paragraph 1 of this bulletin.
6. Pursuant to [101 CMR 512.05\(5\)](#), if a facility fails to pay an assessment within 30 days after the due date in Paragraph 1 of this bulletin, EOHHS will assess a one-time late fee of 6.5% on the outstanding balance and no additional interest will be assessed.
7. Notwithstanding Paragraph 6 of this bulletin, EOHHS will not assess the one-time late fee for the third calendar quarter of 2026 (July 1, 2026, through September 30, 2026) for a facility that did not pay its user fee on time if the facility submits the required user fee filing form for that calendar quarter by the due date in Paragraph 1 of this bulletin.
8. If a nursing facility fails to pay the quarterly assessment in full within 30 days after the payment due date in Paragraph 1 of this bulletin, EOHHS will send the facility a final notice stating that EOHHS will begin to offset MassHealth claim payments in the next payment cycle pursuant to [M.G.L. c. 118E, § 63\(f\)](#), and [101 CMR 512.05\(7\)\(a\)](#). The final notice will identify the total offset amount, which will include (1) the unpaid user fee assessment principal balance (as reported on the user fee filing form or, if the form has not yet been submitted, using the presumptive assessment amount established by EOHHS and referred to in Paragraph 3 of this bulletin); (2) the one-time 6.5% late fee on that balance, if applicable; and (3) any penalties imposed under Paragraph 2 of this bulletin. MassHealth claim payments will then be offset in each payment cycle at 25% of the nursing facility's total MassHealth claim payments for that month (or less, if the outstanding balance is less than 25% of the facility's total MassHealth claim payments for that month) until the total offset amount is recouped.

9. Notwithstanding Paragraph 8, for a nursing facility for which MassHealth fee-for-service (FFS) residents constitute 59.99% or less of the combined MassHealth FFS, Accountable Care Organization (ACO) / Managed Care Organization (MCO), Senior Care Options (SCO), Program of All Inclusive Care for the Elderly (PACE), and One Care members, EOHHS will increase the MassHealth claim payment offset percentage according to the following table.

MassHealth Claim Payment Offset Percentage by FFS Member Share

FFS Members as a Percentage of Combined FFS, ACO/MCO, SCO, PACE, and One Care members	Offset Percentage
Between 50.00% and 59.99% FFS	35%
49.99% FFS or less	50%

10. Pursuant to M.G.L. c. 118E, § 63(f), EOHHS may apply the offset process in Paragraphs 8 and 9 of this bulletin against claims for payment by the noncompliant nursing facility and/or against claims for payment by other nursing facilities with a licensee in common with the noncompliant nursing facility, in the amount of the fees owed, including any interest, penalties, or reasonable attorneys' fees.
11. If a nursing facility is not compliant with the quarterly assessment, EOHHS may create, after a demand for payment, a lien in favor of the Commonwealth, pursuant to [M.G.L. c. 118E, § 63\(f\)](#), and [101 CMR 512.05\(7\)\(b\)](#), encumbering (according to [M.G.L. c. 118E, § 63\(f\)](#)) “the building in which the facility is located, the real property upon which the facility is located, any fixtures, equipment or goods used in the operation of the facility or any real property in which the licensee holds an interest.”
12. Nursing facilities that are not compliant with the quarterly assessment may be referred to the Department of Public Health (DPH) for revocation of licensure pursuant to [M.G.L. c. 118E, § 63\(f\)](#), and [101 CMR 512.05\(7\)\(c\)](#).
13. Pursuant to [101 CMR 512.05\(3\)\(b\)](#), if a nursing facility closes either voluntarily or pursuant to Paragraph 12 of this bulletin, it must pay any outstanding user fees no later than 30 days before the closure date approved by DPH. If a nursing facility fails to pay all outstanding user fee amounts, including interest and late fees, in full by 30 days before the closure date, EOHHS will offset any outstanding MassHealth claim payments by the nursing facility's total offset amount as defined in Paragraph 8 of this bulletin in each MassHealth payment cycle until the total offset amount is paid. If a nursing facility is already subject to an offset for unpaid user fee assessments when it gives DPH notice of intent to close, EOHHS may increase the nursing facility's offset percentage above the amounts specified in Paragraphs 8 and 9 of this bulletin so that the total offset amount is paid no later than 30 days before the closure date proposed by the nursing facility in its notice of intent to close. If offsets of remaining claims for services rendered before closure are not sufficient to pay the total unpaid user fee assessment, EOHHS may apply any other remedy available to it under [M.G.L. c. 118E, § 63\(f\)](#); [101 CMR 512.05\(7\)](#); or this bulletin.
14. Pursuant to [M.G.L. c. 118E, §§ 63\(a\) and \(f\)](#), and [101 CMR 512.05\(3\)\(c\)](#), a nursing facility's assessment obligation is applied to any obligation of any successor in interest or assignee of

the noncompliant nursing facility and/or any successor in interest or assignee of other nursing facilities with a licensee in common with the noncompliant nursing facility. EOHHS will determine which successor or assignee it will attach the debt to. Successors in interest may include, but are not limited to, any purchaser of the assets or stock, any new operator or licensee of an existing nursing facility, any surviving entity resulting from merger or liquidation, or any receiver or trustee of the original nursing facility.