



Executive Office of Health & Human Services

Governor Baker's FY2021 Budget Proposal
January 22, 2020



Secretariat FY21 Budget: Spending Summary

Department	FY20 H.1	FY20 GAA	FY20 Estimated Spending	FY21 H.2	H.2 vs. Spending	%	H.2 vs. GAA	%
Exec Office of Health and Human Services	329,057,352	319,175,778	342,637,594	363,000,321	20,362,726	5.9%	43,824,543	13.7%
Chapter 257 Rates	20,500,000	20,500,000	-	160,000,000	160,000,000		139,500,000	680.5%
Department of Elder Affairs	555,438,272	559,454,548	572,912,046	574,820,867	1,908,821	0.3%	15,366,319	2.7%
Department of Public Health	651,290,859	692,783,923	726,612,787	699,059,028	(27,553,759)	-3.8%	6,275,105	0.9%
Department of Mental Health	886,842,253	901,952,253	912,178,473	910,654,638	(1,523,835)	-0.2%	8,702,385	1.0%
Office of Refugees and Immigrants	501,575	1,026,575	1,226,575	1,026,575	(200,001)	-16.3%	(0)	0.0%
Department of Youth Services	178,721,365	179,221,364	180,453,122	177,752,031	(2,701,091)	-1.5%	(1,469,333)	-0.8%
Department of Transitional Assistance	655,808,607	682,437,192	673,927,985	687,056,661	13,128,676	1.9%	4,619,469	0.7%
Department of Children and Families	1,050,393,331	1,058,393,333	1,056,781,843	1,085,477,450	28,695,607	2.7%	27,084,117	2.6%
Massachusetts Commission for the Blind	24,642,578	25,747,578	25,896,047	25,302,234	(593,813)	-2.3%	(445,344)	-1.7%
Massachusetts Rehabilitation Commission	61,455,146	63,555,146	64,567,958	65,741,585	1,173,627	1.8%	2,186,439	3.4%
Commission for Deaf and Hard of Hearing	6,113,952	6,133,951	6,235,437	6,857,790	622,353	10.0%	723,839	11.8%
Chelsea Soldiers Home	29,866,737	29,866,737	29,947,791	30,131,990	184,199	0.6%	265,253	0.9%
Holyoke Soldiers Home	25,217,437	25,217,437	25,856,298	25,458,194	(398,103)	-1.5%	240,757	1.0%
Department of Developmental Services	2,074,337,763	2,091,762,763	2,105,357,821	2,146,632,253	41,274,433	2.0%	54,869,490	2.6%
Veterans Services	90,012,194	92,635,094	93,347,521	92,683,434	(664,087)	-0.7%	48,340	0.1%
MassHealth Programmatic	16,538,785,380	16,588,785,380	16,670,436,136	16,772,131,778	101,695,642	0.6%	183,346,398	1.1%
Subtotal	23,178,984,801	23,338,649,052	23,488,375,433	23,823,786,829	335,411,396	1.4%	485,137,777	2.1%
MassHealth Hospital Supplemental Payments	646,360,000	646,360,000	683,185,000	598,080,000	(85,105,000)	-12.5%	(48,280,000)	-7.5%
Total	23,825,344,801	23,985,009,052	24,171,560,433	24,421,866,829	250,306,396	1.0%	436,857,777	1.8%



FY21 House 2 – Across the Secretariat

House 2 (H.2) Budget

- H.2 funds EOHHS at \$23.824 B, a \$335.4 M (+1%) increase above FY20 spending and a \$485.1 M (+2%) increase above the FY20 GAA*.
- EOHHS departments comprise approximately 53% of the total state budget.

	FY20 Est. Spending	FY21 H.2	H.2 vs. FY20 Est.	% Increase
HHS Total	23,488,375,433	23,823,786,829	335,411,396	1.40%
Commonwealth Total	43,578,991,462	44,592,423,354	1,013,431,892	2.30%
HHS as % of Total	54%	53%	33%	

*Excludes MassHealth supplemental payments to hospitals



FY21 H.2 – Across the Secretariat

House 2 Budget

H.2 funds EOHHS at \$23.824 B, a \$335.4 M (+1%) increase above FY20 spending and a \$485.1 M (+2%) increase above the FY20 GAA*.

H.2 Budget Highlights

- Maintains sustainability of MassHealth program without reducing benefits.
- New Disability Employment Tax Credit to support businesses that hire individuals with disabilities. This credit will be 30% of wages (up to \$2,000) per employee who works a minimum of 18 consecutive months, and would be available starting in tax year 2022. This furthers the Administration's commitment to improve employment opportunities and economic security for individuals with disabilities.
- Continues Chapter 257 commitments at \$160 M for human service providers, and funds a new rate methodology benchmarking direct care and clinical staff wages to the Bureau of Labor Statistics median salary to support the workforce.
- Fully funds Turning 22 classes at DDS and other disability agencies
- Reallocates DDS base funding to pilot approaches using assistive technology and remote supports to decrease reliance on group home care.
- Supports funding to address the vaping epidemic.
- Expands American Sign Language initiatives at MCDHH to: expand access to interpreter training programs and develop a Communication Access Realtime Translation (CART) training & mentorship program in MA.



Executive Office (EOHHS)

House 2 Budget

H.2 funds EOHHS at \$363.0 M, a \$20.4 M (6%) increase above FY20 spending and a \$43.8 M (14%) increase above FY20 GAA, and includes \$160.0 M in the Chapter 257 Reserve.

H.2 Budget Highlights

- Chapter 257 reserve funding supports providers' ability to hire/retain quality direct care and clinical staff by using an updated rate methodology benchmarking wages to the Bureau of Labor Statistics median salary.
- Invests \$1.0 M to establish a new line item, Integrated Eligibility and Enrollment, to support strategic planning to improve and streamline the consumer experience across benefit programs.
- \$22.2 M increase to EOHHS IT line item to support critical systems needs including \$11.4 M to support BEACON, iFamilyNet, and MMIS modernization. \$6.1 M for hosting, infrastructure and software maintenance. \$4.7 M for the Commonwealth-wide desk top modernization initiative.



Department of Mental Health (DMH)

Agency Summary

DMH provides clinical treatment and supportive services to meet the needs of individuals with serious mental illness of all ages, enabling them to live, work and participate in their communities. DMH provides community-based and continuing care inpatient services for approximately 21,000 individuals throughout Massachusetts.

House 2 Budget

H.2 funds DMH at \$910.7 M, a \$1.5 M (0%) decrease below FY20 spending and a \$8.7 M (+1%) increase above the FY20 GAA.

H.2 Budget Highlights

- \$8.6 M to fund 80 new treatment beds for men who are civilly committed under Section 35 (assumes 6 months of operation in FY21).
- \$1.7 M annualization (on top of \$5.8 M PACed from FY19 into FY20) to support the transfer of 63 DMH Continuing Care clients from Tewksbury Hospital who have been deemed clinically ready for discharge into the community.



Department of Developmental Services (DDS)

Agency Summary

DDS creates opportunities for individuals with intellectual disabilities to participate in and contribute meaningfully to their communities. DDS supports approximately 42,000 adults and children with intellectual and developmental disabilities including those with Autism Spectrum Disorder. DDS also provides residential services to individuals with acquired brain injury. Services include day programs, employment support, residential, family support, and transportation. Services are provided through state operated facilities and 253 community-based state operated programs, under contract with more than 229 private provider agencies.

House 2 Budget

H.2 funds DDS at \$2.147 B, a \$41.3 M (+2%) increase above FY20 spending and a \$54.9 M (+3%) increase above FY20 GAA.

H.2 Budget Highlights

- H.2 formalizes the DDS *Technology Forward* agenda, including:
 - A new line item entitled Supportive Technology for Individuals (\$500 K) to pilot approaches using assistive technology and remote supports to decrease reliance on group home care
 - Continued support for technology (including new laptops and mobile phones) that allows our 600 DDS Service Coordinators to manage caseloads more efficiently from the field
- \$7.7 M investment for Family Supports above the FY20 GAA.
- For the fourth consecutive year, H.2 fully funds the Turning 22 class in FY21.



Department of Children and Families (DCF)

Agency Summary

DCF protects children from abuse and neglect and ensures child safety. DCF serves approximately 47,000 children at any given time, primarily children ages 0-17, and youth ages 18-21 previously involved with the Department.

House 2 Budget

H.2 funds DCF at \$1.085 B, a \$28.7 M (+3%) increase above FY20 spending and a \$27.1 M (+3%) increase above the FY20 GAA.

H.2 Budget Highlights

- \$1.8 M for Foster Care rate increases to provide support for foster parents.
- \$7.1 M to sustain investments made in FY20 for expansion of:
 - Services to support the clinical needs of foster parents
 - Services and supports for transition-age youth
- Annualized funding for the new performance-based contract for the After Hours Child-at-Risk Hotline.
- Funding to support FY20 expansions of the statewide Family Resource Center network.
- Funding in EEC's budget to support the expansion of child care access to the Department's Area Offices.
- \$6.0 M to support continued growth in the rate of adoptions and guardianships.
- Includes \$9.0 M in payroll increases to support social worker and supervisory staffing levels, representing the commitment to DCF's progress towards an 15:1 caseworker ratio and providing clinical support and oversight to DCF social workers.
- \$2.0 M for OSD-promulgated Chapter 766 rates for placements of children in residential schools.



Department of Transitional Assistance (DTA)

Agency Summary

DTA assists and empowers low-income individuals and families to meet their basic needs, improve their quality of life, and achieve long-term economic self-sufficiency. DTA works with individuals and families to provide services through a combination of federal and state-funded programs with the ultimate goal of achieving fiscal stability for DTA clients. DTA serves one out of every nine people in the Commonwealth – including working families, children, elders, and people with disabilities.

House 2 Budget

H.2 funds DTA at \$687.1 M, a \$13.1 M (+2%) increase above FY20 spending and a \$4.6 M (+1%) increase above the FY20 GAA.

H.2 Budget Highlights

- Funding supports caseload increases, standard payroll increases, and lease increases.
- H.2 funds the Healthy Incentives Program (HIP) at \$5.0 M for the operation of a seasonal program.
- Maintains clothing allowance at \$350 for eligible TAFDC clients. Shifts payments to two times per year; September and March, to better support families' needs as seasons change.



Executive Office of Elder Affairs (EOEA)

Agency Summary

EOEA promotes the independence, empowerment, and well-being of older adults and their caregivers. EOEA's strategic goals include supporting aging in community; preparing for evolving demographic trends; empowering healthy aging; preventing injury, violence, and exploitation; strengthening "no wrong door" access to services; and ensuring quality, value, and person-centered care.

House 2 Budget

H.2 funds ELD at \$574.8 M, a \$1.9 M (+0%) increase above FY20 spending and a \$15.4 M (+3%) increase above FY20 GAA.

H.2 Budget Highlights

- Annualizes the FY20 expansion of the Medicare Savings Program (MSP); eligibility up to 165% FPL which significantly reduces out-of-pocket health care costs for low-income seniors.
- \$16.5 M to continue issuing grants of \$12 per elder to local Councils on Aging.
- \$9.7 M increase to support new and existing consumers in the state Home Care program.
- \$4.7 M increase for the Community Choices program, which provides MassHealth-eligible elders with nursing facility levels of need with home care support.
- \$3.6 M increase to support a +5% projected growth in caseload for elder protective services.



Department of Public Health (DPH)

Agency Summary

The Department of Public Health works to keep people healthy and communities strong. DPH promotes the health and well-being of all Massachusetts residents by ensuring access to high-quality public health and healthcare services, and using a data-driven approach to focus on prevention, wellness, and health equity in all people. DPH also regulates, licenses, and provides oversight of a wide range of healthcare-related professions and services.

House 2 Budget

H.2 funds DPH at \$699.1 M, a \$27.6 M (-4%) decrease below FY20 spending and a \$6.3 M (+1%) increase above FY20 GAA.

H.2 Budget Highlights

- \$500 K expansion to support vital records modernization.
- \$400 K to issue, renew, and monitor home health licenses.
- \$2.0 M increase over FY20 GAA to support increased costs at the State Lab associated with transfer of staff from DCAMM to DPH, including funding for staff, equipment, renovations, and Clean Energy Investment Program.



Department of Public Health (DPH)

Highlights Continued

- \$39.9 M to support sexual assault and domestic violence prevention and services, supporting 164 programs provided by 68 organizations, as well as the RESPECTfully public awareness campaign.
- \$6.7 M to support family planning services formerly covered under federal Title X.
- \$4.5 M increase over FY20 GAA to support projected caseload increase for early intervention services.
- \$1.2 M expansion to support inspections, laboratory testing, and toxicology analysis for PFAS and other emerging contaminants at over 2,500 food and bottled water facilities.
- \$1 M to the Healthy Relationships Grant Program, which provides awards to communities to promote healthy relationships among youth and prevent sexual assault and teen dating violence.



Vaping

\$4.0 M will be spent out of the Community Behavioral Health Promotion and Prevention Trust in FY21 to address the vaping epidemic across a public health continuum of prevention, intervention, and awareness.

Activity	FY21 Spending	Description
Awareness Campaign / Communications	\$500 K	Supports a multi-media vaping awareness campaign
Enforcement Support for Local Health and Municipalities	\$2.1 M	Funds to municipalities for required enforcement activities such as retail surveillance and community education
Cessation Support	\$380 K	Supports an expansion to the capacity of the Quitline, an enhanced SBIRT screening tool to include nicotine for use in schools and analysis of outcomes to inform program and support for youth
Data-Driven Targeted Youth Programming	\$570 K	Supports expanding the reach of the 84 movement by utilizing evidence based positive youth development and methods to create social norms change
Evaluation and Precision Public Health	\$410 K	For discovery of new data sources to inform decision making in the public health response to the vaping epidemic



Department of Youth Services (DYS)

Agency Summary

DYS improves life outcomes for youth in care through investment in qualified staff and a service continuum that engages youth, families and communities in strategies that support positive youth development. As the juvenile justice agency, DYS provides a comprehensive and coordinated program of delinquency prevention and services to youth detained or committed to DYS by the courts.

House 2 Budget

H.2 funds DYS at \$177.8 M, a \$2.7 M (-1%) decrease below FY20 spending and a \$1.5 M (-1%) decrease below the FY20 GAA.

H.2 Budget Highlights

- Maintenance increases (standard payroll, chargeback growth and food and utilities) offset by earmark reductions and reduced staffing/overtime needs.
- Reinvests budget savings resulting from the reductions in caseload into transition services for post discharge youth who voluntarily enroll in the Youth Engaged in Services (YES) program. Preliminary results from most recent study show the recidivism rate for YES participants discharged from DYS in 2016 was 15% as compared to 26% for youth choosing not to enroll in YES program.
- Expands the 4-day, 10-hour work week from 1 pilot program to 3 residential programs in DYS' continuing efforts to improve employee morale, increase diversity, and reduce overtime.



Massachusetts Rehabilitation Commission (MRC)

Agency Summary

MRC promotes equality, empowerment and independence of individuals with disabilities by providing comprehensive services to help individuals maximize their quality of life and economic self-sufficiency in the community. These goals are achieved through enhancing and encouraging personal choice and the right to succeed or fail in the pursuit of independence and employment.

House 2 Budget

H.2 funds MRC at \$65.7 M, a \$1.2 M (+2%) increase above FY20 spending and a \$2.2 M (+3%) increase above the FY20 GAA.

H.2 Budget Highlights

- \$1.1 M to fund payroll increases and annualization costs.
- Supports changes in population needs:
 - \$401 K to support new individuals with traumatic brain injuries through SHIP.
 - \$219 K for additional supports to Independent Living Assistance consumers with progressive and severe disabilities.
 - \$92 K for additional supports to Homecare service consumers with progressive disabilities.
- Fully funds Turning 22 class (\$330 K).



Massachusetts Commission for the Blind (MCB)

Agency Summary

MCB provides the highest quality rehabilitation and social services to individuals who are blind, leading to independence and full community participation.

House 2 Budget

H.2 funds MCB at \$25.3 M, a \$594 K (-2%) decrease below FY20 spending and \$445 K (-2%) decrease below the FY20 GAA.

H.2 Budget Highlights

- This funding level supports payroll and lease costs increases and software licenses for MCB consumers.
- H.2 also includes funding for collective bargaining and annualization of Chapter 257 rate increases that took place in FY20.



Massachusetts Commission for the Deaf & Hard of Hearing (MCDHH)

Agency Summary

MCDHH provides accessible communication, education and advocacy to consumers and private and public entities, where a vision of universal access becomes the standard for Deaf and hard of hearing people to fully participate in all areas of life.

House 2 Budget

H.2 funds MCDHH at \$6.9 M, a \$622 K (+10%) increase above FY20 spending and \$724 K (+12%) increase above the FY20 GAA.

H.2 Budget Highlights

Includes \$530 K expansion for American Sign Language initiative and an additional \$92 K to support maintenance increases.

The additional \$530 K will allow MCDHH to begin:

- Working with higher education institutions to increase interpreter workforce.
- Developing a Communication Access Realtime Translation (CART) training & mentorship program in MA.



Department of Veterans' Services (VET)

Agency Summary

VET supports annuity benefits to Gold Star families, transitional services and outreach to veterans, operates two veterans' cemeteries and acts as liaison on behalf of veterans seeking assistance from the Federal Veterans' Administration. Through the municipal veterans' agencies, Veterans' Services Officers (VSO) administers the need-based veterans benefits program (M.G.L. Chapter 115).

House 2 Budget

H.2 funds VET at \$92.7 M, a \$644 K (-1%) decrease below FY20 estimated spending and a \$48 K (+0%) increase over FY20 GAA.

H.2 Budget Highlights

- Investment in Training and Education – H.2 includes a \$2 M for clinical care, education and training in veterans' mental and behavioral health issues, including post-traumatic stress, traumatic brain injury, substance use disorder and suicide prevention administered by Home Base.



Soldiers' Home in Chelsea

Agency Summary

The Soldiers' Home in Chelsea operates a 189 -bed long-term care facility which includes skilled nursing beds and long-term care beds with memory care services along with 305 beds in an independent living/domiciliary service.

House 2 Budget

H.2 funds CHE at \$30.1 M, a \$184 K (+1%) increase above FY20 estimated spending and a \$265 K (+1%) increase above FY20 GAA.

H.2 Budget Highlights

This funding level supports collective bargaining and other salary increases for the Chelsea Soldier's Home personnel.



Soldiers' Home in Holyoke

Agency Summary

The Soldiers' Home in Holyoke operates a 249-bed long-term care facility which includes long-term care beds, dementia units, comfort care services along with 30 beds in a domiciliary service.

House 2 Budget

H.2 funds HLY at \$25.5 M, a \$398 K (-2%) decrease below FY20 estimated spending and a \$241 K (+1%) increase above FY20 GAA.

H.2 Budget Highlights

This funding level supports collective bargaining and other salary increases for the Holyoke Soldier's Home personnel.



Office of Refugees and Immigrants (ORI)

Agency Summary

ORI promotes the full participation of refugees and immigrants as self-sufficient individuals and families in the economic, social and civic life of Massachusetts. Primarily funded through the federal Office of Refugee Resettlement, ORI administers the refugee resettlement program, which includes refugee cash and medical assistance, case management, employment services, English language training, and foster care for unaccompanied minors.

House 2 Budget

H.2 funds ORI at \$1.0 M, level to the FY20 GAA.

H.2 Budget Highlights

- This funding level supports ORI's state-funded citizenship assistance program for refugees and immigrants residing in the Commonwealth.
- At this funding level, ORI expects to provide services to over 1,200 refugees and immigrants through grants to the agency's 19 partner organizations.



MassHealth

Agency Summary

MassHealth offers essential health care coverage to 1.8 million members, approximately one in four residents of the Commonwealth residents:

- 675,000 low and moderate income adults (39% of all members).
- 650,000 low and moderate income children (36% of all members).
- 305,000 people with disabilities and 185,000 seniors (combined, 25% of all members).

Priorities

- Maintaining comprehensive, high quality, and affordable **coverage** for all members.
- Increasing investments in behavioral health and primary care within the construct of the overall cost growth benchmark.
- Continuing efforts to reduce prescription drug prices through new authority to negotiate directly with drug manufacturers & increase PBM transparency.
- Continuing to manage **MassHealth restructured integrated, accountable care models**, with investments supported by the 1115 waiver (\$1.8B over 5 years).
- Making the MassHealth program sustainable through ongoing **program integrity** and operations efforts.
- Continuing management of and investments in **home and community based long term supports and services**.



MassHealth

House 2 Budget:

- MassHealth programmatic accounts are funded at \$16.772 B gross, \$6.740 B net, an increase of 0.6% gross and 0.5% net over FY20 estimated spending.
- \$598M in supplemental payments for hospitals funded by the Medical Assistance and Safety Net Provider Trust Funds, excluding intergovernmental transfers.

H.2 Budget Highlights:

- **Ensure a sustainable MassHealth program without impacting eligibility or benefits**
 - Enrollment growth below historical trend (+0.7% vs. FY20 to 1.83 M avg. member months*).
 - Preserves coverage and benefits for MassHealth members.
 - Limited rate increases, outside of targeted investments and required spending increases.
 - \$44 M gross / \$22 M net commitment to new program integrity solutions:
 - \$44 M gross is in addition to ~\$150 M gross of incremental savings from program integrity initiatives between FY18 and FY20 and a total of over \$500 Million savings since 2015
 - \$150 M gross rebates (\$56 M in state savings) from supplemental rebate negotiations with drug manufacturers, as authorized by the FY20 budget.
- **Accountable Care Organizations Capitations**
 - ACO capitations in FY21 will fully fund the acuity adjustments made for ACOs in CY20.
 - In addition, provides for growth in CY21 in ACO total cost of care rates in line with managing costs at or below HPC benchmark.



H.2 Budget Highlights (continued):

- **Continued investments in Behavioral Health (addictions, mental illness and co-occurring disorders)**
 - The Baker-Polito Administration is committed to establishing an ambulatory behavioral health treatment that includes a working “front door” for consumers who need help accessing behavioral health service; real-time access to treatment where needed; stronger integration of behavioral health treatment into primary care settings; and a functioning system of crisis and specialty outpatient behavioral health.
 - In FY21, MassHealth will invest more than \$60M through:
 - Dedicated funding to support EOHHS behavioral health redesign initiatives: \$40 M
 - Annualizing rate increases for payment of psychiatry in community health centers at parity with other services: \$3 M
 - Increasing rates for Intensive/Community-Based Acute Treatment (I/CBAT) programs: \$3 M
 - Increasing rates for fee-for-service inpatient psychiatric hospitals: \$11 M
 - Annualize investments in the Emergency Services Program (ESP) to expand access to mobile and community-based treatment: \$11 M
 - Continued support for telehealth and the development of an ambulatory behavioral health treatment system.
 - Continuation of SUD waiver expansion (>\$200 M investment over 5 years).
- **Other investments and required spending increases**
 - Medicare premiums rate increase: \$35 M gross/ \$11 M net.
 - PCA wage increase: \$18 M gross/ \$9 M net.
 - Expanded capacity in ABI/MFP Waivers: \$35 M gross/ \$18 M net.
 - Investments in home and community-based LTSS services (e.g. home health, Day Habilitation): \$14 M gross/ \$7 M net.