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LIEUTENANT GOVERNOR

By His Excellency

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

EXECUTIVE ORDER NO. 536

2011 AUG 25 PM 4: 54
SECRETARY OF STATE
REGISTRATION DIVISION

**ESTABLISHING THE CHAPTER 257 OF THE ACTS OF
2008 PROVIDER AND CONSUMER ADVISORY COUNCIL**

WHEREAS, the social service sector and its workforce play vital roles in the Commonwealth, both as an economic contributor and as a partner in delivering care to citizens;

WHEREAS, a network of 1,100 social service provider organizations contract with the Commonwealth to deliver services to more than one million Commonwealth residents through the Purchase of Service (POS) system reflecting a \$2.2B investment in services to children and families, services to adults with developmental disabilities, elder services, transitional assistance, and a range of other critical human services;

WHEREAS, Chapter 257 of the Acts of 2008, An Act Relative To Rates For Human And Social Service Programs ("Chapter 257") provides that the Secretary of Health and Human Services shall have the sole responsibility for

establishing rates of payment for social service programs purchased by governmental units;

WHEREAS, the Commonwealth recognizes the value of establishing payment rates for social services in a centralized manner based on an analysis of cost and value, aligning such payment rates with clear performance and quality benchmarks, and adjusting such payment rates to account for changes in efficient costs over time;

WHEREAS, Chapter 257 was intended to establish payment rates that are reasonable and adequate to meet the costs which are incurred by efficiently and economically operated social service program providers and take into account factors, including, but not limited to the reasonable cost to providers of any existing or new governmental mandates, a cost adjustment factor to reflect changes in reasonable costs of goods and services of social service programs including those attributed to inflation, and geographic differences in wages, benefits, housing and real estate costs within the Commonwealth;

WHEREAS, the Executive Office of Health and Human Services has engaged in intensive efforts to implement Chapter 257 since its passage and currently has over a dozen rate development projects underway;

WHEREAS, continued and ongoing collaboration between the Executive Office of Health and Human Services, the provider community, and consumers is of particular value in furthering implementation of Chapter 257;

NOW THEREFORE, I, Deval L. Patrick, Governor of the Commonwealth of Massachusetts, by virtue of the authority vested in me by the Constitution of Massachusetts, Part 2, c. 2, § 1, Art. 1, order as follows:

Section 1. There is hereby created the Chapter 257 of the Acts of 2008 Provider and Consumer Advisory Council, hereinafter referred to as the "Advisory Council."

Section 2. The purpose of the Advisory Council is to facilitate the involvement of Massachusetts social service providers and consumers, in an advisory capacity, in the development of policies, plans, and initiatives to address issues that have system-level impact on the implementation of Chapter 257 across all agencies and programs subject to Chapter 257. The Advisory Council does not have a role in the operations, management, or development of rates of reimbursement under Chapter 257.

Section 3. The Advisory Council shall comprise no more than 13 members appointed by the Governor. The Chairperson shall be designated by the Governor. The membership of the Advisory Council shall consist of the Secretary of Health and Human Services, the Secretary of Administration and Finance, and the Commissioner of the Division of Health Care Finance and Policy. In addition, the Advisory Council shall include at least 6 members selected from individuals nominated by the boards of the leading trade organizations of Massachusetts social service providers that deliver services for which rates of payment are subject to Chapter 257, 2 members representing social service provider organizations who are not members of one or more of the leading trade organizations, and 2 members representing consumers of social services.

The Chairperson shall convene and preside at meetings of the Advisory Council and may establish subject matter-specific subgroups as deemed necessary; provided, however, that the membership of such subgroups be composed of members of the Advisory Council.

A member of the Advisory Council may designate any person who is part of the member's agency or Secretariat, and who is a full-time public employee to perform functions of the Advisory Council or its subgroups on the member's behalf.

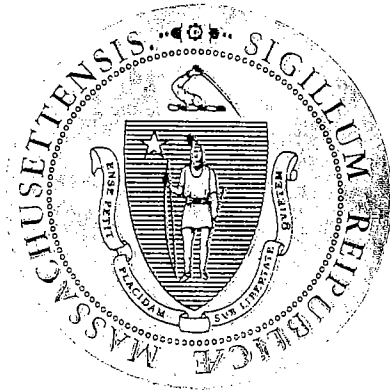
Section 4. The Advisory Council shall examine and provide information, advice and guidance to the Secretary of the Executive Office of Health and Human Services on system-wide factors that have implications for the

development of rates of payment for social service programs and on overall implementation of Chapter 257 across all agencies of the secretariat including, but not limited to, the following:

- Definitions and strategies for determining standards of “efficiency and economical operation” as stated in Chapter 257;
- Data and processes to identify reasonable and adequate benchmarks for and address any significant and logical variation in facility costs, wages, staffing intensity, tax and fringe rates, and transportation costs;
- Data and processes to adjust for program utilization, staff productivity and training, and any necessary relief staff for the purpose of providing reasonable and adequate payment for such services;
- Data and processes to adjust for the reasonable cost to social service program providers of existing or new governmental mandates for the purpose of providing reasonable and adequate payment for such services;
- Larger policy trends in the purchase of social services as they relate to the establishment of payment structure and rates, including issues related to consumer choice and bundled payment approaches.

Section 5. The Advisory Council shall meet at such times and places as established by the Chairperson until all rates of payment for social service programs purchased by the Commonwealth are established pursuant to the timetable set forth in Chapter 9 of the Acts of 2011, which amends the implementation timeline for Chapter 257 of the Acts of 2008.

Section 6. This Executive Order shall remain in effect until amended, superseded, or revoked by subsequent Executive Order.



Given at the Executive Chamber
in Boston this twenty-fifth day of
August in the year two thousand
and eleven, and of the
Independence of the United States
of America two hundred and thirty-
five.

A handwritten signature in black ink, appearing to read "Deval L. Patrick".

DEVAL L. PATRICK, GOVERNOR
Commonwealth of Massachusetts

A handwritten signature in black ink, appearing to read "William Francis Galvin".

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

GOD SAVE THE COMMONWEALTH OF MASSACHUSETTS