

Good morning. My name is Marie Lenane. I am the Policy Pricing Analyst at the Executive Office of Health and Human Services (EOHHS). I am here to present staff testimony on the proposed amendments to 101 CMR 414.00: Rates for Family Stabilization Services, which will amend rates purchased by Department of Developmental Services (DDS), the Massachusetts Commission for the Blind (MCB), the Department of Children and Families (DCF), and the Department of Mental Health (DMH).

Massachusetts General Laws, Chapter 118E, Section 13D requires the Secretary of the Executive Office of Health and Human Services to establish rates of payment by regulation for social service programs. The effective date for the proposed amendments to the regulation is January 1, 2026.

The rates for Family Stabilization program services are being updated to include an increase by a cost adjustment factor (CAF) of 2.53%. The CAF was determined by using baseline and prospective Massachusetts Economic Indicator data from IHS Economics – Spring 2025 Forecast, baseline scenario data. The CAF reflects the period between the rates' base period (calendar year 2025 Q4) and the prospective period of calendar years 2026 and 2027. All staff salaries have been benchmarked to the Massachusetts Bureau of Labor Statistics (BLS) median wages as dated May 2024 at

the 53<sup>rd</sup> percentile. The tax and fringe rate has been benchmarked to 24.97% and the administrative allocation has been benchmarked to 12%.

Please note that the following rates should have been listed at these rate levels and will be corrected after this hearing:

**Comprehensive Services:**

Model A-1	\$52.06
Model A-2	\$78.82
Model B	\$97.28
Model C	\$98.89
Model D	\$98.04
Model E	\$141.61
Model F	\$236.58
Model G	\$174.66

**Combined Hourly Services:**

Nonclinical	\$76.20
Clinical	\$107.71

**Family Training Groups:**

Specialty Family Skills Development Program Model	\$3,125.72
Family Skills Development Program Model	\$2,135.18
Parent Skill Development Program Model	\$1,672.49
Intensive Flexible Family Support Services	\$27.33
Site-based Respite with Nursing	\$410.36

Unbundled Intensive Foster Care Special Support                      \$67.44

The total annualized cost to state government from the increase in rates amended by this regulation is \$37.98 million, which represents an increase of 14.42% over FY25 spending of approximately \$211.84 million. This cost will not be realized until January 1, 2026, at which point the FY26 cost to state government will be \$18.98 million. This concludes my testimony. Thank you.