

Introduction

Good morning. My name is Isaac Devoid and I am the Senior Manager of Behavioral Health Policy at the Office of Accountable Care and Behavioral Health within the Executive Office of Health and Human Services (EOHHS). I am here to present testimony on proposed amendments to 101 CMR 307.00: *Rates of Payment for Psychiatric Day Treatment Center Services*. The proposed amendments are anticipated to be effective for dates of service on or after March 13, 2026.

Background

Regulation 101 CMR 307.00 governs the rates of payment by MassHealth and other governmental purchasers for psychiatric day treatment (PDT) services. PDT centers offer care for individuals with behavioral health needs that require more intensive and frequent care than a weekly therapist visit, but do not require psychiatric hospitalization. PDT centers typically provide a half day (three hours) or full day (six hours) of treatment. PDT centers offer different forms of treatment, including group therapy, socialization practices to build inter-personal skill sets, along with individual counseling sessions. Regulation 101 CMR 307.00 establishes hourly rates for behavioral health day treatment under procedure code H2012 and preadmission evaluation visits under procedure code H2012-U1. The rate for interpretation or explanation services for family members or other persons responsible for the patient under procedure code 90887 is established under 101 CMR 306.00: *Rates for Mental Health Service Providers in Community Health Centers and Mental Health Centers*.

Proposed Amendments

The proposed amendments increase the rates for procedure codes H2012 and H2012-U1 by a prospective cost adjustment factor (CAF) of 2.77%. The CAF was calculated based on the optimistic forecast of the Fall 2024 Massachusetts Economic Indicators data developed by S&P Global Market Intelligence, using a base period of quarter four of calendar year 2025, and a two-year prospective rate period of quarter one of calendar year 2026 through quarter four of

calendar year 2027. The proposed amendments increase the rate for code H2012 from \$28.77 to \$29.57 per hour, and the rate for code H2012-U1 from \$80.13 to \$82.35 per hour.

In addition, the proposed amendments update outdated citations, update terminology, enhance consistency with other EOHHS regulations, and otherwise increase clarity.

The proposed amendments are in compliance with the requirement of M.G.L. Chapter 118E Section 13C, which requires that rates established by EOHHS for health care services be “adequate to meet the costs incurred by efficiently and economically operated facilities providing care and services in conformity with applicable state and federal laws and regulations and quality and safety standards and which are within the financial capacity of the commonwealth.”

Fiscal Impact

The estimated annual fiscal impact of the proposed amendments is \$70,000, which is approximately a 2.8% increase relative to the annualized state fiscal year 2025 base spending of \$2.5 million.

This concludes my testimony.

Thank you.