

Introduction

Good morning, my name is Marie Lenane and I am a Purchase of Service Pricing Analyst at the Executive Office of Health and Human Services. I am here to present testimony regarding the proposed amendments to 101 CMR 330.00: Rates for Team Evaluation Services. The proposed effective date for the amendments is March 1, 2026.

Background

101 CMR 330.00 was last updated effective September 1, 2023. Team evaluation services are performed by a multidisciplinary team and consist of assessments in all areas related to the child's suspected need for special education and services. Team evaluation services are available for individuals aged 3 years to 21 years and include services provided by clinical and neuropsychologists, educators, physical therapists, speech therapists, occupational therapists, audiologists, medical doctors, and clinical laboratories.

Services that are unique to this regulation include the Home Assessment/Visit, Participation in a Team Evaluation Meeting, Educational Assessment, Diagnostic Observation, and the Comprehensive Neuropsychological Assessment. All other services are governed by their own regulations with their current rates applicable in Team evaluation settings.

Team evaluations arise as follows: a) school personnel suspect a possible learning disability in a student and seek to determine whether the student needs special education services under Chapter 766, the Massachusetts special education law; b) evaluation services are then provided for the student by professionals within the school district and; c) the parent requests an independent or "outside" evaluation (s) for reasons that may include disagreement with the original findings. Massachusetts law provides the right of the parent to these independent evaluations.

The Local Educational Authority (LEA) is the local school district and the purchaser, in accordance with M.G.L. Chapter 71.

Description of Proposed Changes

In general, model budgets serve as the basis for Team evaluation service rate development. While key components of the models have been preserved, the following adjustments were made to inputs used in the model budget rate calculations:

- Tax and Fringe Rate: The Tax and Fringe rate was changed from 25.39% to 24.97% based on the Approved Fiscal Year 2025 Fringe Benefit and Payroll Tax Rates from the Commonwealth of Massachusetts Office of the Comptroller.
- Salary Benchmarks: The proposed amendments include updated salary benchmarks, which utilize data from the Bureau of Labor Statistics (BLS) May 2024 State Occupational Employment and Wage Estimates data release.
- Cost Adjustment Factor (CAF): A retrospective CAF of 7.32% was applied to each model. The CAF was calculated based on the optimistic forecast of the Spring 2025 Massachusetts Economic Indicators data developed by S&P Global Market Intelligence, using a base period of quarter two of calendar year 2024, and a two-year prospective rate period of quarter one of calendar year 2026 through quarter four of calendar year 2027.
- Productivity Hours: Productivity factors were updated to reflect current assumptions.

With these changes to the models, the calculated rate for Educational Assessment is lower than the current Educational Assessment rate. Therefore, EOHHS is proposing to keep the Educational Assessment rate at its current amount. The proposed changes described above result in increases to the rates for all other services whose rates are set in 101 CMR 330.00

In addition, EOHHS proposes to amend 101 CMR 330.00 to reflect updated terminology and current policy.

Fiscal Impact

The estimated annual fiscal impact of the proposed amendments is an increase of \$3,712, or a 0.36% increase over the estimated current spending of \$1,031,222. Due to the lack of centralized utilization data, the estimated current utilization data is based on the projected annual spending from the previous rate review.

This concludes my testimony. Thank you.