



The Campaign to **STRENGTHEN HUMAN SERVICES**

**IMPROVE CARE • RETAIN QUALITY STAFF
ENHANCE ECONOMIC IMPACT**

Chapter 257 Court Settlement Brings Nearly \$20 Million in New Rates

The Superior Court decision earlier this year that concluded the Commonwealth of Massachusetts failed to comply with Chapter 257 will result in human service providers receiving almost **\$20 million in rate increases during Fiscal Year 2016**.

The Executive Office of Health and Human Services (EOHHS) estimates that interim payments to providers as a result of a negotiated settlement to the court decision will **total approximately \$19.8 million**.

The Association for Behavioral Healthcare (ABH), the Association of Developmental Disability Providers (ADDP), the Children's League of Massachusetts (CLM), and the Providers' Council originally filed suit against the Commonwealth in June 2014 alleging that the state had failed to meet implementation deadlines established by Chapter 257.

The Commonwealth agreed to make interim payments in the aftermath of the court decision because providers had been harmed by the state's failure to fully implement Chapter 257 by July 1, 2014 as required by law. A portion of the payments are going to providers whose services have not yet had a rate set under 257. A smaller portion of the \$19.8 million will go to providers whose rates have previously been set but are beyond the two-year rate review window required by Chapter 257.

In addition to these interim payments, EOHHS is required by the legal settlement to complete implementation of Chapter 257 within two years. This means that a number of services, including residential recovery home services purchased by the Department of Public Health/Bureau of Substance Abuse Services and Community Based Flexible Support Services, purchased by the Department of Mental Health, as well as Massachusetts Rehabilitation Commission substance abuse rates, will be receiving rate adjustments moving forward.

EOHHS recently announced that they have hired the Public Consulting Group (PCG) to work on rate-setting as part of the Commonwealth's efforts to comply with the Court's ruling. The Collaborative supports this step by EOHHS which should lead to a more efficient and effective rate-setting process. EOHHS and PCG will be briefing the Chapter 257 Provider and Consumer Advisory Committee (PCAC) on this process when the PCAC reconvenes later this fall.

