



The Campaign to **STRENGTHEN
HUMAN SERVICES**
IMPROVE CARE • RETAIN QUALITY STAFF
ENHANCE ECONOMIC IMPACT

Chapter 257 Update

Chapter 257 Agreement Reached

Dear *Collaborative* Member,

At long last, we have reached an agreement with the Commonwealth to ensure you and your organizations -- the providers of invaluable supports and services to hundreds of thousands of people across Massachusetts -- have fair and adequate rates set and funded for the work you do.

The Baker Administration -- particularly Secretary Marylou Sudders and Dept. of Developmental Services Deputy Assistant Commissioner Dana Roszkiewicz -- showed tremendous commitment in their effort to find a fair resolution following January's Superior Court decision in our favor, and they should be thanked publicly. We should also give a big thanks to our negotiating team of Ron Ardine, Bruce Bird, Deb Ekstrom and Bill Sprague, who spent countless hours working with the state on this resolution. The negotiations centered on a number of difficult subjects, including retrospective relief and parameters about future litigation. It took several more months to get here, but we're confident that we have reached an agreement acceptable to all parties.

The agreement:

- Focusing on areas in which rates were not initially set, our agreement establishes new target dates for the rates to be set, and it stipulates that providers who have contracts without set rates by June 30, 2015 will receive an additional 3.75 percent to the base of their FY 2015 contracts. That would be paid in FY 2016.
- If there are service codes in which rates remain unset through June 30, 2016, the 3.75 percent increase will continue, and there will be an additional Cost Adjustment Factor added for FY 2017.
- For rates that are scheduled for a biennial review, but do not receive one by June 30, 2015, providers will receive retroactive payments of 1.9 percent (for rates more than two years overdue) and 0.45 percent (for rates less than two years overdue). Those payments will be made by November 30, 2015 in a lump sum, based on billings to the state for FY 2015.
- This runs through July 1, 2017 -- by which time the Commonwealth fully expects to be caught up on rate re-reviews. Remember, if they fall short of that goal, the Chapter 257 law (passed in 2008) will still exist, and we can always review our legal options -- just as we did this time.

This is our best and strongest chance in nearly 30 years of uphill battles to get the state to fully set and fund these rates. We have presented this agreement to Judge Kaplan, and when he approves

it, we begin a new and hopeful course with the Commonwealth -- one which should protect the people to whom we provide supports and services, help entire provider organizations continue to perform exemplary work and enable our agencies to manage the untenable balance between running a business and fulfilling the selfless mission of nonprofit organizations.

Please click on the following links to view the judgment and settlement agreements we have signed with the Commonwealth:

<http://www.abhmass.org/images/publications/Ch257/LegalDocs/agreementforjudgment.pdf>
<http://www.abhmass.org/images/publications/Ch257/LegalDocs/settlementagreement.pdf>

Thank you so much for your time, your support and your patience.

Best,

Erin, Gary, Michael and Vic