

PCA Working Group Implementation Plan
Due: January 1, 2026

Legislative Language:

Subsection (b) of section 111 of the SFY 26 budget provides:

(b)(1) The executive office of health and human services shall establish an implementation plan to preserve and allow for the long-term sustainability and cost containment of the personal care attendant program. The implementation plan shall include, but shall not be limited to:

- (i) a detailed description of how the recommendations from the February 28, 2025 report and the report required pursuant to subsection (a) will be implemented, including, but not limited to: (A) any actions already taken to implement the recommendations and the dates on which said actions were taken; and (B) future actions needed to implement the recommendations;
- (ii) savings realized and anticipated from the implementation of the recommendations from the reports with a detailed description of any changes or adjustments from projected savings included in said reports;
- (iii) a timeline for the implementation of said recommendations;
- (iv) the program's growth rate in fiscal year 2026 as of December 15, 2025;
- (v) any additional changes to the program necessary to contain the program costs consistent with the goals of the working group and the cost growth targets determined by the working group pursuant to subsection (a); and
- (vi) any other information necessary to explain cost containment measures to be implemented for the program.

Said implementation plan shall be filed with the secretary of administration and finance and the house and senate committees on ways and means not later than January 1, 2026.

Working Group Recommendations Overview:

As required by Line 4000-0601 of Chapter 140 of the Acts of 2024, the PCA Working Group submitted a report on February 28, 2025 which contained the following three recommendations:

Recommendation 1: MassHealth should enforce the overtime cap at 66 hours

Recommendation 2: MassHealth should ensure fraudulent activity within the PCA program is addressed

Recommendation 3: Eliminate managing PCA paperwork and PCA administrative work for members that do not have a live in exemption. Rationale: members are required to use EVV unless they have a live-in exemption.

As required by subsection (a) of Section 111 of the SFY26 Budget, the PCA Working Group submitted a report on November 28, 2025 which contained the following three recommendations:

Recommendation 1: Reduce the overtime cap from 66 to 60 hours

Recommendation 2: Establish a 7-hour upper limit for meal prep support (*Create a medical exception if a person requires special meals (doctor documents medical need)*)

Recommendation 3: The group did not identify a specific existing benchmark. The group did agree that the State should be able to project expected growth in the program. The group did embrace the idea of a composite benchmark. The composite benchmark could include measuring: growth of the older adult population, any acuity shift in the PCA population, wage growth, and state revenue growth. Many members of the group expressed a sentiment that if a benchmark is adopted, they did not want it to operate as a hard cap. If the benchmark is exceeded, it should come back to this group for solutioning.

Implementation Plan

Table 1. February 28, 2025 Report Recommendations and (i), (ii), and (iii) Responses:

Section (i)			Section (ii)		Section (iii)
Recommendation	Action Already Taken	Future Action to be Taken	Savings Realized	Annual Savings Anticipated	Timeline for Implementation
1. MassHealth should enforce the overtime cap at 66 hours	<p>MassHealth adjusted the PCA program regulations to implement this change, effective for 1/1/2026.</p> <p>Across November and December 2025, MassHealth held three public information sessions notifying PCAs, consumers, and other stakeholders of the compliance policy, effective 1/1/26.</p>	MassHealth will take corrective action with PCAs and consumers who exceed the overtime cap.	\$0	\$6.7M	Implementation is ongoing, enforcement will begin 1/1/2026.
2. MassHealth should ensure fraudulent activity within the PCA program is addressed			N/A	N/A	Ongoing
3. Eliminate managing PCA paperwork and PCA administrative work for members that do not have a live in exemption. Rationale: members are required to use EVV unless they have a live-in exemption	No action taken yet.	MassHealth will socialize with PCMs and operationalize with TPA, effective July 2026.	\$0	\$700K	July 2026

Table 2. November 28, 2025 Report Recommendations and (i), (ii), and (iii) Responses:

Recommendation	Section (i)		Section (ii)		Section (iii)
	Action Already Taken	Future Action to be Taken	Savings Realized	Annual Savings Anticipated	Timeline for Implementation
1. Reduce the overtime cap from 66 to 60 hours	No action taken yet.	MassHealth will adjust the PCA program regulations and educate consumers and PCAs of this change.	\$0	\$3.9M	July 2026
2. Establish a 7-hour upper limit for meal prep support	No action taken yet.	MassHealth will adjust the PCA program regulations and educate consumers and PCAs of this change.	\$0	\$28M	July 2026
3. The group did not identify a specific existing benchmark. The group did agree that the State should be able to project expected growth in the program. The group did embrace the idea of a composite benchmark. The composite benchmark could include measuring: growth of the older adult population, any acuity shift in the PCA population, wage growth, and state revenue growth. Many members of the group expressed a sentiment that if a benchmark is adopted, they did not want it to operate as a hard cap. If the benchmark is exceeded, it should come back to this group for solutioning.		As this recommendation does not require specific action, no action taken.	N/A	N/A	N/A

iv. the program's growth rate in fiscal year 2026 as of December 15, 2025

Drivers of cost growth between SFY 25 and SFY 26 include:

- annualized impact of the seniority differential (implemented April 2025)
- impact of \$3.25/hour complex care differential (implementation date 1/1/26)
- Increase in wages required under the collective bargaining agreement
- increase in utilization and increase in wages due to completion of NHO

Based on the observed growth between July and October, along with expected program changes, MassHealth estimates a 12% increase in SFY26 compared to SFY25.

v. *any additional changes to the program necessary to contain the program costs consistent with the goals of the working group and the cost growth targets determined by the working group pursuant to subsection (a); and*

The working group could not reach consensus on a benchmark. The group reviewed and rejected three specific benchmarks. Given, this MassHealth is not moving forward with additional changes, beyond what the group recommended, at this time.

Based on the benchmarks reviewed by the working group, the PCA program is between \$149M and \$327M more costly than what can be explained by population growth and expected wage/cost growth between 2016 and 2024. See *slides 10 through 12 of the [working group's report](#)*.

Dr. Jonathan Gruber, the Ford Professor of Economics and the Chairman of the Economics Department at the Massachusetts Institute of Technology, proposed to the group that they use inflation plus growth in 65+ population. Using this benchmark the PCA program currently costs \$327M more than what can be explained by inflation and population growth between 2016 and 2024.

The working group considered using a benchmark of low-income wage growth plus growth in 65+ population. Using this benchmark, the PCA program currently costs \$168M more than can be explained by inflation and population growth between 2016 and 2024.

The working group considered using a benchmark of CNA wage growth plus growth in 65+ population. Using this benchmark, the PCA program currently costs \$149M more than can be explained by inflation and population growth between 2016 and 2024.

vi. *any other information necessary to explain cost containment measures to be implemented for the program.*

N/A