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March 2, 2023

Chair, Michael Rodrigues
Senate Committee on Ways and Means
State House, Room 212
Boston, MA 02133

Chair, Aaron Michlewitz
House Committee on Ways and Means
State House, Room 243
Boston, MA 02133

Dear Chairs Rodrigues and Michlewitz,

Enclosed is the Quality Improvement Rate Add-on Legislative Report required by item 4000-0641 of Chapter 126 of the Acts of 2022, the Fiscal Year 2023 Budget.

The Fiscal Year 2023 Budget included an appropriation of $56.25 million to fund rate add-on payments to nursing facilities "solely for the purpose of permissible direct care costs" and $18.75 million to fund a supplemental payment to nursing facilities to promote quality improvement. This report provides an update on implementation of this provision and includes a summary of the methodologies used to distribute the appropriated funds.

I hope you find this document useful and informative. Please feel free to contact Sarah Nordberg at Sarah.Nordberg@mass.gov should you have any questions about the report.

Sincerely,

Mike Levine

Mike Levine

cc: Kathleen E. Walsh