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October 24, 2023

Chair Michael J. 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,

Line item 4000-0641 of the Fiscal Year 2023 Budget, Chapter 126 of the Acts of 2022, 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. The SFY23 budget also required the Executive Office of Health and Human Services (EOHHS) to submit a report to the House and Senate Committees on Ways and Means "detailing the methodologies used to distribute funds for said rate add-on and said supplemental payment to promote quality improvement" and that EOHHS "shall submit a report to the house and senate committees on ways and means detailing the expenditures from said rate add-on, including the number of employees receiving a wage increase and the average increase in wage, and said supplemental payment to promote quality improvement by recipient."

Please see the attached report, which details the expenditures from these funds as required. A previous report provided 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 report useful and informative. Please feel free to contact Sarah Nordberg at Sarah.Nordberg@mass.gov if you have any questions.

Sincerely,

Mike Levine

Mike Levine

cc: Kathleen E. Walsh