



Proposed Regulation 101 CMR 361.00 Rates for Continuous Skilled Nursing Services

Written Public Comment

Submitted by: Home Care Alliance of Massachusetts

April 27, 2026

Introduction

The Home Care Alliance of Massachusetts (the “Alliance”) submits this testimony in response to the Executive Office of Health and Human Services’ proposed amendments to 101 CMR 361.00, Rates for Continuous Skilled Nursing Services (CSN) which would maintain MassHealth CSN rates at their current levels.

The Alliance represents over 200 home health, home care, and hospice providers serving MassHealth members across the Commonwealth. Our members account for the vast majority of services delivered to the CSN MassHealth Member population.

The Alliance acknowledges that this year’s rate proposal comes at a uniquely challenging moment for the Commonwealth. With state revenue uncertainty, and forthcoming federal cuts to MassHealth—we submit these comments with the goal of meeting the State’s obligation of enabling this population to live at home with high quality home health services.

In this environment, flat funding of CSN services under 101 CMR 361.00 will steadily diminish access to services authorized by MassHealth through its Community Case Management (CCM) entity. Without meaningful adjustments to this regulation on a regular basis, the cost of delivering care will outpace the sufficiency of reimbursement – leading CSN providers to reconsider growth strategies. This will have devastating impacts to the CCM population across the State. Our comments enclosed will outline the various increases to costs of delivering services and the impact that flat-funding will have on the program.

Proposed Regulation 101 CMR 361.04 Rates of Payment for Continuous Skilled Nursing: *Continuous Skilled Nursing Service Rate Codes: T1002, T1003, T1004 & Accompanying Modifiers*

Overview

As proposed, maintaining the current rate schedule in 101 CMR 361.00 amounts to a payment reduction. This halts nearly ten years of steady investment into the CSN program and, if finalized, puts it on a path toward devastating access to care challenges.

According to the Centers for Health and Information Analysis, approximately 900,000 authorized hours are not being delivered – representing over 30 percent of authorized hours.¹ Despite significant investment into this regulation in recent years, CCM members and their families continue to endure chronic access to care issues. This paints a picture of a program and provider network, that at any moment, is teetering on the edge of crisis. CHIA’s report finds that CSN agencies indicate several reasons to explain unused service hours – including difficulty finding

¹ 2026 CHIA Continuous Skilled Nursing Biennial Report

qualified applicants to fill positions. However, the report also notes that respondents have scheduling challenges due to clinicians holding multiple jobs, which creates conflicts. This indicates that clinicians are largely utilizing CSN as a part-time or secondary practice setting. While flexibility and autonomy have been touted by the industry historically, until MassHealth establishes rates sufficient enough for provider CSN agencies to offer wages consistently on par with facility-based opportunities – the program will continue to be a patch-work delivery model. A strong argument could be made that reimbursement should be sufficient enough for CSN agencies to pay *above* comparable facility-based opportunities given the medical complexity of the population and specific skillset necessary for a clinician to have. Doing so would signal to prospective candidates that CSN nursing is a secure, reliably compensated profession. But flat-funding sends the opposite signal. CSN agencies will shift into retention crisis strategies to hold onto the staff they have – while slowing its strategy of growth.

For perspective, the Alliance encourages MassHealth to consider the below figure from CHIA’s report which illustrates the percentage of used-to-authorized hours from 2022 to 2024.

Figure 4. Percent of Authorized Hours Used, Annual, 2022 – 2024

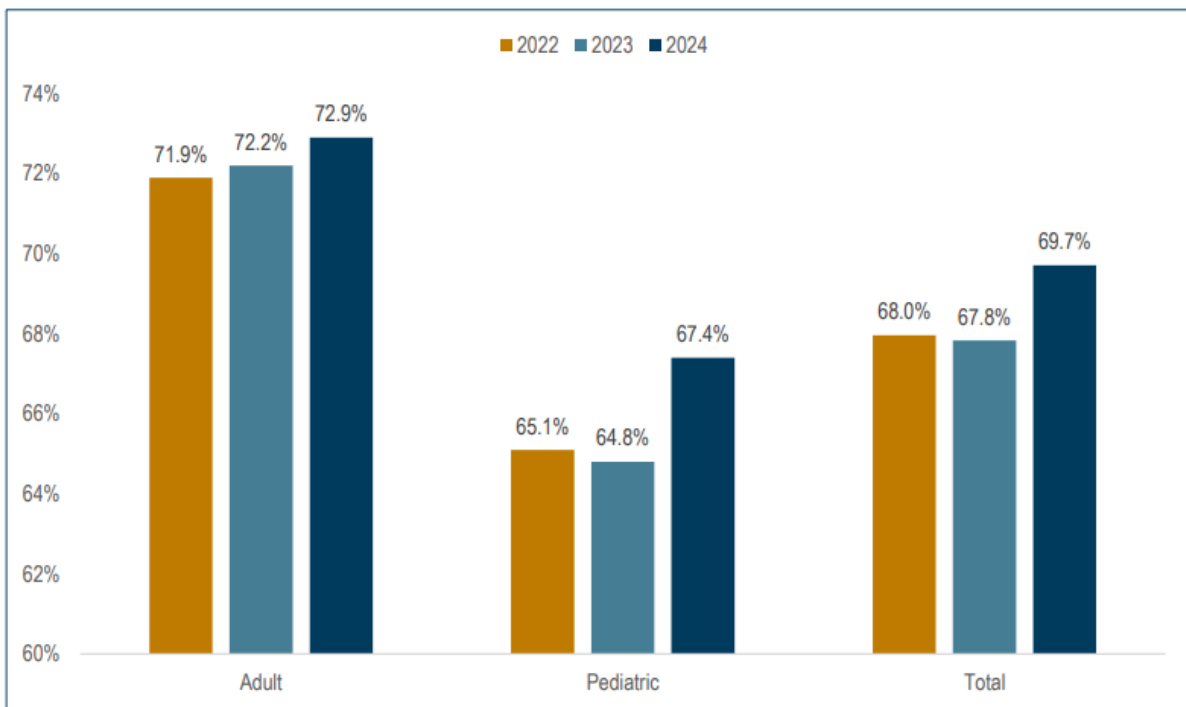


Figure 5 presents the average authorized and delivered hours per individual—by day, week, month, and year—for CYs 2022 through 2024.

This figure represents nominal but steady increases to delivered services year over year and can reasonably be attributed to several years of investment into the program. These investments enabled providers to increase wages, hire and retain staff. They also signaled to CSN nurses

(new and existing) that a career in CSN nursing offered competitive compensation with real growth opportunities. Pausing these investments will pause this progress and reverse these trendlines.

Increased Costs of Delivering Care

The Alliance submitted lengthy comments in response to proposed regulation 101 CMR 350.00 Rates for Home Health Services on April 5, 2026. As part of those comments, the Alliance included a detailed overview of recent costs to delivering services. For simplicity, the Alliance has included an amended version of that section below as Appendix A.

Independent Nursing

The Alliance raises concern with regard to the Independent Nurse program. Although we acknowledge and support a CCM members' right to choose how they would like to receive CSN services, MassHealth's parallel investment in Independent Nursing rates in recent years indicates a concerning trend. IN services represent over 20 percent of all services delivered in the program. This percentage is much higher than in 2019. As the Independent Nurse program operates as a direct competitor for labor to CSN agencies, MassHealth must consider the impact of this in the long-term and how it relates to rates paid to Independent Nurses and CSN agencies.

Independent Nurses have far less oversight as compared to agency-based nurses. Oversight is largely placed on the CCM member or family. Understanding that this is preferred by some CCM members, the Alliance questions what unintended consequence this has on quality of care, safety and MassHealth expenditures in instances where INs are not properly conducting Third Party Liability (TPL). For example, CHIA's report outlines the requirements for a Registered Nurse or Licensed Practical Nurse to meet in order to enroll as an Independent Nurse. Beyond standard licensure requirements and minimal MassHealth enrollment/orientation requirements – there are no training or qualification standards to enroll other than member-specific training hours. This places the burden on the CCM member and family. By comparison, CHIA's research team surveyed CSN agencies what requirements are required of CSN agency nurses. The responses were as follows:

- Tracheostomy, ventilator, and wound care management experience (training provided as needed)
- Comparable complex care experience in institutional settings
- Successful validation of specialized skills in the office skills lab and the client home
- Completion of self-directed learning modules specific to skill level (e.g., pediatrics, intravenous placement, high-tech care)
- Skilled nurse orientation and 12 hours of agency-specific training

- Training and mastery of the Electronic Medical Record (EMR) system
- Mandatory shadowing and case-specific orientation for each client
- OSHA respirator medical evaluation and qualitative fit test sitting

These comments are not aimed at eliminating the Independent Nursing program. Instead, the Alliance urges MassHealth to monitor and consider how the operational imbalance is impacting recruitment and retention efforts for CSN agencies. Because investments in the IN program have often mirrored investments in the CSN agency rates, it presents two options for a CSN nurse: They can work for a CSN agency, adhering to company policies, training requirements and oversight. Or – they can work as an independent nurse with far less operational oversight, overhead and minimal training or ongoing skills competency training. Self-directed programs such as Independent Nursing or Personal Care Attendant (PCA) services are worthy and necessary care-delivery options for MassHealth members. However, the Department must closely consider and monitor the operational impact it creates through its regulatory determinations.

We are encouraged by the proposed changes to the Independent Nurse regulations, and have submitted comment on those regulations as well.

Weekend Definition – 101 CMR 361.02: Weekend and Nights

HCA is concerned with the proposed revision to the definition of “weekend” under **101 CMR 361.02**, which changes the timeframe from **3:00 P.M. Friday through 7:00 A.M. Monday to 12:00 A.M. Saturday through 11:59 P.M. Sunday**.

While this may appear to be a technical modification, it has meaningful operational implications. The current definition more accurately reflects real-world staffing challenges, particularly for shifts occurring on Friday evenings and early Monday mornings—periods that are historically difficult to staff and often require agencies to offer premium pay, rely on on-call coverage, or utilize overtime to ensure patient care needs are met. These challenges are often compounded by the need to utilize overtime or incentive-based staffing to ensure coverage. This change comes at a time when there is already a significant shortage of nurses available to provide continuous skilled nursing (CSN) services. Narrowing the weekend window further limits agencies’ ability to offer differentials for hours that are widely recognized across the healthcare industry as “weekend” coverage. Without appropriate reimbursement to support these differentials, agencies will face increased difficulty recruiting and retaining nurses willing to work these high-need shifts.

The result may be increased scheduling challenges, delays in securing coverage, and potential disruptions in care for medically complex members who rely on consistent, around-the-clock nursing services.

By narrowing the weekend definition without a corresponding adjustment to the rate structure, the proposed policy removes recognition of these difficult-to-staff hours while leaving agencies to absorb the additional workforce and operational burden.

HCA encourages MassHealth to retain the current weekend definition or otherwise account for the higher staffing costs associated with late-night and early-morning hours outside of typical weekday shifts.

Supervisory Visit Rate – 101 CMR 361.04(1)(d)

HCA notes that the proposed rate structure under **101 CMR 361.04(1)(d)** includes reimbursement for a **60-day supervisory visit conducted by a Licensed Practical Nurse (LPN)** (T1003 U5).

HCA has raised concerns in our comments on **130 CMR 438.000** regarding the appropriateness of LPNs independently conducting supervisory visits of Complex Care Assistants (CCAs), given the level of clinical oversight required.

As such, HCA questions the inclusion of a distinct rate for LPN-conducted supervisory visits in the rate regulation, as it may not align with the clinical expectations and standards outlined in the program requirements.

CSN Training Time and Rate Adequacy – 101 CMR 361.04(1)(e)

HCA appreciates the inclusion of reimbursement for CSN training time under **101 CMR 361.04(1)(e)**, recognizing the importance of preparing nurses to safely care for medically complex members.

However, HCA is concerned that the proposed policy does not include a differential rate for training conducted during nighttime hours. The regulation specifies that shifts occurring between **3:00 P.M. and 7:00 A.M., Monday through Friday, are reimbursed at the weekday rate**, with no separate differential for evenings or overnight hours.

In practice, CSN training typically occurs during active care shifts and requires agencies to staff both the primary nurse and a second nurse who is being trained on the member's care needs. These training shifts frequently occur during evenings, nights, or weekends—periods that are more difficult to staff and typically require higher compensation.

Absent a rate differential, agencies may face financial challenges in supporting adequate training during these critical hours. This has implications for workforce development, continuity of care, and patient safety, particularly given the complexity of the CSN population.

HCA recommends that MassHealth consider establishing a differential rate for CSN training conducted during evenings, nights, and weekends, or otherwise adjust reimbursement to reflect the increased staffing and operational costs associated with training during non-standard hours.

Overall Conclusion

As stated, the Alliance recognizes the complex budgetary pressures confronting the Commonwealth. However, leaving this regulation unchanged amounts to a payment reduction that will have an adverse impact on access to CSN services in the coming years.

We hope the department will reconsider this proposed regulation, and implement meaningful adjustments that reflect increases to the cost of delivering CSN services.

We appreciate our partnership with MassHealth and look forward to continued collaboration toward the shared goal of serving as many MassHealth members in the community as possible.

Sincerely,

Jake Krilovich
Chief Executive Officer
Home Care Alliance of Massachusetts

Appendix A: Increased Cost of Care Delivery

Since July 2023, prices in the United States have increased approximately 7.1 percent based on changes in the U.S. Bureau of Labor Statistics (BLS) Consumer Price Index (CPI-U).² Simply put, any adjustment (or lack of adjustment) to the rate schedule less than the inflationary rate is a payment cut.

Like all Massachusetts residents, the price we paid for goods in July 2023 was generally less than the cost it will be when this proposed regulation goes into effect. It is painfully difficult for healthcare providers to sustain operations, let alone grow, when costs continue to increase – but reimbursement remains stagnant.

Importantly, we point out a few key direct and indirect costs that have significant implications to provider operating margins:

Registered Nurse (RN)/Licensed Practical Nurse (LPN) Wages:

- According to BLS, registered nurse wages in Massachusetts increased by approximately 5 to 6 percent since 2023.³ LPN wages have increased approximately 6 to 7 percent.⁴

Payroll Taxes, Health Insurance/Benefits:

- With steady wage growth, payroll tax exposure increases accordingly. This increase applies to direct care staff and operational staff. Per the *Centers for Health Information And Analysis (CHIA) Annual Report on the Health Care System*, health insurance premiums rose over 4 percent from 2023 to 2024.⁵

Mileage Reimbursement:

- Since 2023, the Internal Revenue Service business standard mileage rate increased from 65.5 cents per mile to 70.0 cents per mile, 6.9 percent.⁶

Technology Investments:

- Home health agencies continue to make investments in technology. These include Electronic Health Record (EHR) systems, cybersecurity, etc. These

² U.S. Bureau of Labor Statistics, *Consumer Price Index for All Urban Consumers (CPI-U), U.S. city average*. The CPI-U increased from 305.691 in July 2023 to 327.460 in February 2026, representing a cumulative price increase of approximately 7.1 percent over that period.

³ U.S. Bureau of Labor Statistics, *Occupational Employment and Wage Statistics (OEWS), Registered Nurses (SOC 29-1141), Massachusetts*

⁴ U.S. Bureau of Labor Statistics, *Occupational Employment and Wage Statistics (OEWS), Licensed Practical and Licensed Vocational Nurses (SOC 29-2061), Massachusetts*

⁵ [CHIA Annual Report on the Health Care System](#)

⁶ Internal Revenue Service, *Standard Mileage Rates*, business use.

investments are critical to modernizing health care delivery, but also necessary, and in some cases mandated, to optimize efficiencies in a strained reimbursement environment and remain compliant.

Administrative Staff, Contract Management, Compliance:

- An often-underappreciated aspect to care delivery are administrative staff. First, it is important for MassHealth to understand that wages and compensation for administrative staff have increased at similar paces to direct-care staff. As wages for direct-care staff increased, administrative personnel reasonably expected similar compensation adjustments. It is equally important that the Department understand that reimbursement under this regulation is utilized by providers to cover indirect costs (such as administrative staff wages).
- Home health agencies are lean and efficient organizations, and it is impossible to operate a certified home health agency without these essential employees. Providers must employ staff across different departments to remain compliant with state and federal regulations. In addition, the payer landscape requires full-time employees to manage contracts, payer relations, quality reporting, audit and surveys, etc. The Alliance cannot emphasize enough the increase in administrative time and burden home health providers are dedicating to managing its payer mix. While this is not unique to our sector, it is steadily shifting provider operations from a patient-focused system to a payer-focused system. These are not issues that will be solved within this regulation, but they *are* issues that must be considered by the State in making rate schedule decisions for this regulation.