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The Governor's FY 2027 Budget Proposal: Preliminary Analysis of Key Issues Affecting Low-Income Massachusetts Residents

April 17, 2026

On April 15, 2026, the House Committee on Ways & Means (HWM) released its budget proposal for fiscal year 2027 (FY27), which is referred to as House 5500 (H.5500). MLRI offers this preliminary analysis of selected budget topics affecting low-income residents of the Commonwealth.

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A. Cash Assistance, SNAP and Related Items Administered by DTA

Account	Description	FY26 General Appropriation	FY27 Governor's Budget (H. 2)	FY27 House & Ways Means (H.5500)
4400-1000	DTA Administration and Operation	$106,937,411	$110,980,122	$108,760,521
4400-1001	Food Stamp Participation Rate Programs	$5,294,419	$5,762,115	$5,762,115
4400-1004	Healthy Incentives Program (HIP)	$20,100,000	$29,700,000	$20,000,000
4400-1020	Secure Jobs Connect	$5,050,000	$4,950,000	$4,950,000
4400-1025	Domestic Violence Specialists	$2,329,397	$2,411,075	$2,411,075
4400-1100	Caseworkers Reserve	$101,262,107*	$147,699,832*	$121,991,351*
4400-1979	Pathways to Self Sufficiency	$990,072	$980,171	$980,171
4401-1000	Employment Services Program	$20,557,862	$20,375,367	$20,375,367
4403-2000	TAFDC	$466,729,423	$437,259,755	$437,259,755
4403-2007	Supp. Nutrition Program	$8,359,783	$11,000,000	$11,000,000
4403-2008	Transportation Benefits for SNAP Path to Work Participants	$356,537	$352,972	$352,972
4403-2119	Structured Settings for Parents Under 22	$13,862,439	$15,080,238	$15,080,238
4405-2000	State supplement to SSI	$195,347,995	$186,937,185	$186,937,185
4408-1000	EAEDC	$208,990,924	$204,024,252	$204,024,252

*The proposed FY27 amount is not an increase. H.2. level-funds the existing SNAP workforce, HWM reduced from level funding by $26 million. See DTA caseworker section below.

1. **Cash Assistance (including TAFDC, EAEDC, SSI State Supplement)**

- **TAFDC and EAEDC (items 4403-2000 and 4408-1000) stuck at April 2025 levels.** House 5500, like House 2, does not propose to raise TAFDC or EAEDC cash assistance grants. Grants were last increased by 10% a year ago in April 2025. There is no increase scheduled for FY26. The maximum TAFDC grant for a family of three with no income is $861 per month, and the maximum EAEDC grant for an individual with no income is $441 per month. Grant levels remain below half the federal poverty level, also known as Deep Poverty, which is now $1,138 a month for a family of three.

  The poverty level and Deep Poverty level go up every year to keep pace with inflation. TAFDC and EAEDC grants, on the other hand, do not get regular cost of living increases. TAFDC grants have lost 43% of their value since 1988; EAEDC grants have lost even more. Progress in recovering the value lost to inflation has been slowed by the Governor's elimination of the grant increase scheduled for April 2024, and failure to increase grants in FY26.

  H.214 (Rep. Decker) and S.118 (Sen. DiDomenico) would increase benefits by 20% a year until they reach half the federal poverty level and then would increase benefit levels more slowly as the poverty level increases with inflation. The Committee on Children, Families and Persons with Disabilities reported both bills favorably. A further grant increase is necessary, or grants will continue to be woefully insufficient to meet even the most basic needs of very low-income households. As discussed below, proposed appropriations are enough to support a significant grant increase.

- **House 5500 cuts the TAFDC Clothing Allowance to $450 per child (item 4403-2000).** The Governor would have kept it at $500. The clothing allowance is an important benefit for families with children, provided once per year in the month of September, to help families buy necessary clothing items close to the beginning of the school year.

- **Proposed appropriations for TAFDC (item 4403-2000) and EAEDC (4408-1000) are enough to raise grants.** The Governor (House 2) proposed to reduce the TAFDC and EAEDC appropriations for FY27 by millions of dollars compared with FY26. House 5500 proposes exactly the same appropriations for these line items as the Governor. Even with these substantial reductions, there is enough money in the accounts to provide a significant grant increase in FY27. TAFDC and EAEDC caseloads have been going down, starting in the fall of 2025. The Administration based its cost projection for FY27 on the average caseload change between July 2023 and June 2025 when caseloads were going up; House Ways and Means apparently did the same. The decline in the caseload – during a time when low-income people are struggling – means that low-income households are not accessing benefits they need and are eligible for. But the caseload

drop provides an opportunity to raise grants without spending more than the Governor and House Ways and Means proposed to spend. At a minimum, based on recent caseloads, grants could be increased by 10% starting in October 2026 and the annual clothing children's clothing allowance could be restored to $500 – without adding to the House Ways and Means proposed appropriations for the two accounts.

- **House 5500, like House 2, continues the extension of benefits to pregnant persons at the beginning of pregnancy but fails to address unrealistic verification requirements (item 4403-2000).** For many years, very low-income pregnant persons with no eligible dependent child were not eligible for TAFDC until their third trimester. The FY26 budget provided that eligibility could start any time in the pregnancy but only if the pregnancy has been "medically" verified. Health care providers typically won't schedule an appointment with a pregnant person until they are near the end of their first trimester. The requirement of "medical" verification thus prevents very low-income pregnant persons from accessing benefits early in the pregnancy, as the change intended. The Department of Public Health provides Women, Infants, Children (WIC) Program nutrition benefits to pregnant women based on a positive pregnancy test rather than requiring medical verification. H.272 (Rep. Montaño) and S.171 (Sen. Rausch) would provide benefits upon verification of pregnancy without requiring unobtainable "medical" verification.

- **TAFDC benefit levels for families in shelter (item 4403-2000).** House 2 deleted language requiring that families in shelter receive benefits at the same level as other families. House 5500 restores it. Families in shelter use TAFDC benefits to build up savings for rental costs once they obtain housing and for travel costs to search for housing and/or employment. Reducing benefits for families in shelter would stymie those efforts.

- **Prohibiting changes to benefit calculations that would result in a benefit decrease (item 4403-2000).** House 5500 restores language omitted by the Governor (House 2) barring changes to benefit calculations that would result in a decrease. The Legislature adopted this language in previous budgets after a previous Administration proposed counting a parent's SSI benefits against the TAFDC grant, which would have caused many children to lose their TAFDC. House 5500 also includes the current requirements, omitted by the Governor, of 75 days' advance notice before DTA proposes any changes to eligibility, benefits or the disability standard, and the requirement that DTA tell recipients about their eligibility for childcare.

- **House 5500 does not include the Governor's "Employment Bridge" proposal (House 2, sections 70 and 71), which would have eliminated a supplement for very low-income working TAFDC recipients.**

- **House 5500, like House 2, proposes maintaining Transitional Support Services (TSS) for families whose TAFDC case closes due to income (item 4403-2000).** TSS provides four months of very small transitional benefits after a TAFDC recipient's case closes because of earnings. The payments start at $280 a month and reduce month by month to $70 in the fourth month. House Ways and Means and the Governor propose "not less than $1 million" for TSS, the same as the FY26 budget. Actual costs are about $3.5 million.

- **House 5500's EAEDC line item (4408-1000), like the TAFDC line item, proposes a sufficient appropriation for a significant grant increase,** as discussed above. House 5500 also includes language – omitted by the Governor – requiring advance notice to the legislature before the Administration cuts benefits or makes changes in eligibility. Both House 5500 and House 2 specify that homeless persons shall receive the same basic grant as recipients who incur shelter costs. For many years homeless adults without children received a grant that was a fraction of the already low basic EAEDC grant.

- **House 5500 rejects the Governor's proposed asset limit for EAEDC (House 2, section 49).** The Governor proposed to institute an asset limit of $2,000 for EAEDC applicants and recipients. The EAEDC program for many years had an asset limit of $250. The Legislature eliminated the asset test in 2021. House Ways and Means correctly rejected the Governor's proposal which attempted to circumvent the Legislature's process for vetting substantive law, ignored the Legislature's action five years ago, and offered no new arguments for instituting an asset test. It also would have required DTA workers – during a time of unprecedented workload challenges for DTA – to take time from other critical work to explain to applicants and recipients what they must prove, help clients who can't prove their supposed assets aren't worth $2,000, and deal with people in crisis who feel they are being arbitrarily denied.

- **Missed opportunity to repeal the "Learnfare" law**. House 5500, like House 2, did not include language to repeal the 1995 Learnfare law. Under Learnfare, DTA is required to cut TAFDC cash assistance for children struggling with school attendance. Learnfare's onerous documentation requirements and sanctions place stress and economic hardship on families and disproportionately harm Hispanic/Latino families - yet there is no evidence demonstrating the policy's effectiveness at reducing absenteeism. Learnfare is not federally mandated and could be eliminated at no cost. DTA agrees that the policy is ineffective, antiquated, and administratively burdensome.

  Sanctioning the lowest-income children on cash assistance amid a statewide absenteeism crisis is inequitable, especially when other students do not face financial penalties for absenteeism. ICE's increasing community presence has also exacerbated absenteeism, putting U.S. citizen and legally present children on TAFDC who are afraid to attend school at risk of financial harm.

- **Reduction in State Supplement for SSI line item (4405-2000).** House 5500, like House 2, would fund the state supplement for SSI (Supplemental Security Income) at $186.9 million, $8.4 million less than the FY26 budget. Like many other states, Massachusetts provides a state-funded supplement to federal SSI. The Massachusetts amount varies depending on the person's living arrangement and whether the person is 65 or older, blind, or severely disabled. The Massachusetts supplement for a disabled person is currently $114 a month. It has not been raised in many years. Fewer people are getting SSI and therefore fewer are qualifying for the state supplement because of unprecedented Social Security Administration staff cuts resulting in even longer waits for SSI approval.

2. DTA Caseworkers and Administration

- **House 5500 proposes only $122 million for DTA caseworkers (item 4400-1100) - $26 million lower than House 2 and approximately $50 million lower than funding needs.** This cut comes during a time of unprecedented barriers reaching DTA for help, driving the SNAP caseload down despite a staggering 40% of households facing food insecurity.

  House 2 level-funded the FY26 projected cost for the existing SNAP workforce and falls short of what very low-income families and the Commonwealth need. The $26 million cut proposed by House 5500 would cut the workforce below existing levels.[1] MLRI estimates the cut risks laying off approximately 150 SNAP caseworkers. A supplemental budget would avoid this catastrophic cut - but DTA cannot plan its workload and workforce changes around a hypothetical future supplemental budget. And, failing to fully fund and invest in DTA's workforce *now* prevents quick action to hire a class of workers to end the SNAP access crisis.

  The consequences of underinvestment in DTA's workforce are severe:

  - The SNAP caseload is plummeting. Since January 2025, the caseload has dropped by **143,000** people - including **49,500** children – many because they can't reach DTA for help navigating paperwork or to speak with a live worker for the required interview.[2] In January and February 2026, DTA hung up on 75% of calls trying to reach a worker. Hang up rates *have never been this high, for this long.*[3]

[1] For historical context on the DTA caseworker line item (both GAA and supplemental budgets), see this MLRI table.
[2] See DTA's Performance Scorecards
[3] See MLRI memo on the work SNAP caseworkers must do and how near-impossible it has been to reach DTA by phone.

- Annual SNAP has fallen from about $2.7 billion per year to $2.3 billion. The loss of those federal dollars directly harms low-income families, local grocers, and farmers markets.
- Massachusetts risks an ongoing price tag if access is not improved and the state's "payment error rate" is not reduced.[4] Errors are more likely when workloads are too high and clients can't reach DTA to ask questions or report changes. Investing in staffing now puts Massachusetts in the best possible position to reduce errors and avoid an ongoing price tag - while also making sure eligible residents get the help they need, when they need it.

- **House 5500 proposes $108.8 million for DTA Administration and Operations (item 4400-1000) - slightly less than House 2's $111 million - despite the need for IT and operational improvements.** DTA Administration and Operations funding (item 4400-1000) would be increased slightly over FY26. Most of this increase appears to be due to salary increases and an uptick in ongoing costs, including the higher annual cost of chip EBT cards.

  This line item funds DTA Central Office staff, administrative costs for DTA programs (including SNAP, TAFDC, EAEDC, and SUN Bucks), eligibility system and technology improvements, the statewide phone system, EBT cards, and local DTA office clerical, hearings, and support staff.

  The legislature recently provided DTA $10 million in a FY25 supplemental budget to improve its systems and improve access to SNAP. This was a positive initial investment to build on in FY27. IT and technology resources are needed to improve access to benefits, ensure households are not incorrectly denied or terminated, and reduce the payment error rate.

- **Funding for DTA domestic violence specialists (item 4400-1025).** House 5500, like House 2, funds DTA's domestic violence specialists at $2.4 million, a slight increase over FY26, most likely to cover scheduled salary increases.

3. Other DTA Benefits

- **House 5500 level-funds the Healthy Incentives Program (HIP) (item 4400-1004) at $20 million, lower than House 2's proposed $29.7 million.** However, the line item language authorizes unspent HIP funding from FY26 to roll over (prior authorization

[4] Distressingly, in H.R.1 Republicans in Congress imposed a first ever state cost for a percentage of SNAP when the rate of mistakes - the so-called "payment error rate" - is elevated.

continued) to FY27. Current estimates are that up to $8 million may be available from FY26, largely due to DTA restrictions on not accepting new vendors.

HIP is a dollar-for-dollar match with SNAP (up to a capped amount) to help SNAP households purchase fresh fruits and vegetables at EBT/HIP-approved farmers markets, mobile markets, community supported agriculture (CSAs) and farm stands. HIP participation is especially high among low-income older adults, helping them access locally grown food and decrease social isolation. It is important to note that households who lose SNAP benefits cannot access HIP. This includes the thousands of low-income households cut off or denied SNAP due to the current access barriers as well as the recent federal changes (immigrant restrictions and time limited benefits).

- **SNAP participation funding (item 4400-1001) would be increased in House 5500 to $5.8 million from $5.3 million in FY26, consistent with House 2.** The line item provides funding for Project Bread's highly regarded Food Source Hotline but reduces the earmark from $900,000 to $600,000 included in the FY26 budget and recommended by the Governor. This line item also supports DTA's training and support for the more than 100 SNAP Outreach Partners - food banks, community health centers, housing authorities, public schools, councils on aging and other community organizations - who connect residents to key services and help increase SNAP participation. However, successful outreach relies on an accessible system. Lack of sufficient caseworkers to provide timely service severely limits the outreach partner's ability to assist clients and help raise participation.

- **Supplemental Nutrition Program for working families (item 4403-2007).** The Supplemental Nutrition Program would be funded at $11 million. This program provides a small supplement to thousands of low-income working families on SNAP. The line item was increased in FY26 due to a change in federal law. House 5500, like House 2, increases the line item slightly for FY27 because the federal change will be in place for the full fiscal year.

- **House 5500, consistent with House 2, proposes to increase residential programs for parents under 22 (item 4403-2119)** to $15.1 million from $13.9 million in FY26.

- **No stipend funding for DTA advisory board participants (item 4403-2000).** House 5500 does not include House 2's proposed stipend of $400 per year for DTA benefit program applicants and recipients who participate in DTA advisory boards. The payment would not count as income. Recipient participation on Boards ensures the voices of those who engage directly with DTA are heard and helps identify access issues and inform state policy. Stipends would help address the costs of attending board meetings.

4. Employment and Training

- **Secure Jobs Connect (item 4400-1020) would be funded at $5 million,** the same as the Governor's (House 2) proposal. This program provides employment support, job training and job search services for homeless or previously homeless families through community-based organizations.

- **Employment Services Program (ESP) (item 4401-1000) and Pathways to Self Sufficiency (item 4400-1979)** would be funded at $20.4 million and $980,000, the same as House 2. These accounts fund employment services for TAFDC recipients. House 5500 proposes earmarks for the Young Parents Program, some education and training for TAFDC parents, learning disability assessments, and ORI job search services. The Governor, as is typical, did not propose any earmarks. House 5500 also includes a current requirement that the Administration report on program outcomes, which the Governor omitted.

- **Transportation benefits for SNAP Path to Work participants (item 4403-2008) would be reduced slightly from FY26 to about $353,000,** the same as House 2. This account provides transportation assistance to SNAP beneficiaries who need transportation to participate in a work activity and keep their benefits. SNAP recipients subject to work rules need help paying for transportation so they can comply and keep their benefits. Congress recently expanded SNAP work rules to older adults and caretakers of older children, who will also need transportation help.

5. Other Nutrition-Related Line Items

- **House 5500, like House 2, funds Universal Free School Meals (item 1596-2422) at $190 million**, a meaningful boost over the $180 million in FY26 GAA funding. This line item ensures universal free school meals to K-12 children regardless of income, helping to reduce food insecurity and improve student academic outcomes. The ongoing success of this critical program is a testament to the impressive School Meals for All Campaign.

  It is important to note that the Commonwealth's SNAP caseload declines will impact on the amount of federal reimbursement the state receives under the National School Lunch Program (NSLP), shifting higher school meal costs onto the state. Loss of NSLP funding especially impacts children in low-wage working families between 130% and 200% FPL who - if they received SNAP - would otherwise be "directly certified" for NSLP-reimbursed free school breakfasts and lunch. Since August 2024, the number of children on SNAP has declined by 60,000.[5]

[5] See DTA's Performance Scorecards

- **House 5500 does not fund the Hunger Free Campus Initiative** (DHE line item 7100-4003)**,** unlike House 2 and FY26 which provided $500,000. This funding supports food security initiatives at the Commonwealth's 29 two- and four-year public colleges, including SNAP outreach and enrollment, "meal swipe" donation programs and other food security initiatives. Now may be the time for Fair Share Amendment funding to step in to support low-income students, consistent with funding K-12 universal school meals, free community colleges, the college SUCCESS grants and other initiatives that support education in the Commonwealth.

- **Mass Emergency Food Assistance Program (MEFAP, item 2511-1105) is funded at $60 million,** $5 million above House 2. At the same time, House 2 did not include $2.5 million from FY25 designated for "Local Food Security and Anti-Hunger Initiatives" (item 2511-0105), while House 5500 funded it at $100,000. The four food banks and their local partner organizations have seen a significant surge in demand over the past 12 months, further exacerbated by the November 2025 federal government shutdown which caused a significant delay in SNAP issuance and emptied the shelves of many food pantries. Food banks and food pantries - many of whom are SNAP outreach partners - are now reporting significant access barriers facing families trying to apply or recertify for SNAP. If 50,000 otherwise eligible households lose SNAP, that translates into roughly $200 million of lost federal nutrition dollars annually - lost benefits that cannot be replaced by MEFAP.

B. Health Issues in MassHealth and ConnectorCare

Account	Description	FY26 General Appropriation	FY27 Governor's Budget (H.2)	FY27 House Ways & Means (House 5500)
4000-0300	EOHHS and Medicaid Administration	$160,961,722	$156,214,202	$154,492,413
4000-0430	MassHealth CommonHealth	$340,074,133	$327,948,284	$327,948,284
4000-0500	MassHealth Managed Care	$6,013,267,263	$6,051,261,716	$6,051,261,716
4000-0601	MassHealth Senior Care	$5,116,762,022	$5,197,654,427	$5,197,654,427
4000-0700	MassHealth Fee For Service Payments	$3,931,775,812*	$4,166,817,619	$4,234,817,619
4000-0880	MassHealth Family Assistance	$576,309,407	$633,207,250	$633,207,250
4000-0940	MassHealth ACA Expansion (CarePlus)	$3,587,449,744	$3,363,484,382	$3,363,484,382
4000-0990	Children's Medical Security Program (CMSP)	$42,600,000	$42,600,000	$42,600,000
1595-5819	Commonwealth Care Trust Fund	$0	$0	$0

*The FY26 to FY27 comparison, meaningful for other agencies, is problematic for MassHealth. The amount shown for FY26 was appropriated in the General Appropriations Act (GAA) for FY26, Chapter 9 of the Acts of 2025. A proviso in the 4000-0300 account in the FY26 GAA gave the agency transfer authority between most MassHealth accounts, including 4000-0700, in order to reduce deficiencies in any such accounts by September 30, 2026. An additional $2,046,164,359 for this line item was included in chapter 73 of the Acts of 2025, the FY25 close-out budget, with appropriated funds available through June 30, 2026, the end of FY26. Some of that added $2 billion may have covered FY25 spending, with some remaining to be spent in 4000-0700 or transferred to other accounts in 2026.

1. HWM generally follows the Governor's lead on MassHealth appropriations in FY27.

- The HWM chair describes total MassHealth funding at $22.41 billion compared to the Governor's description of $22.7 billion for MassHealth in H.2. There are 26 4000-series MassHealth accounts in both bills, but that $300 million difference is not explained there.

As shown above, HWM appropriates $1.7 million less than H.2 for the 4000-0300 administrative account while adding several earmarks not in H.2 including $300,000 for the invaluable Health Care for All Helpline and $3 million for Franciscan Hospital for Children. In 4000-0300, HWM also gives MassHealth transfer authority among its major accounts. In the 4000-0700 account, HWM is $68 million more than H.2 including a $13 million earmark for acute hospitals with a high percentage of revenue from government payers and free care and $750,000 for teaching community health centers in three communities. Not shown above is the 4000-1700 IT account which is $3.7 million less in HWM than in H.2.

- The appropriated amounts in H.2 were based on the Administration's plans to make significant cuts to adult optional services and HWM does moderate the planned reduction in spending for PCA services and for adult dental services as described further below. It also expands the availability of highly effective HIV prevention, also described further below. However, HWM leaves alone other benefit reductions assumed in H.2.

- Presumably then, the savings assumptions underlying the budget figures in H.2 also underlie the nearly identical figures in the HWM bill. These assumptions in H.2 included a moratorium on provider rate increases and program expansions not required by federal law. However, HWM adds a $30 million earmark to 4000-0641 to increase nursing home rates to reflect resident care and workforce costs. The amounts also assume certain unspecified one-time administrative measures to allow time for policy development and recommendations from the Governor's Health Care Affordability Working Group.

- Finally, the budget bills are built on assumptions that MassHealth will "continue to aggressively expand program integrity initiatives." Massachusetts has long had a strong record on program integrity, with robust mechanisms to identify and address waste and abuse, as well as protocols to refer credible allegations of fraud for investigation and prosecution by offices like the Attorney General's Office. The Trump Administration and Republicans in Congress have targeted blue states like Massachusetts for special attention, with CMS scrutinizing federal funding for 14 blue states and a congressional committee demanding a letter response to questions about fraud, waste, and abuse. While program integrity efforts continue to be significant, focus should remain on the importance of this critical basic need program and the harm the drastic federal funding cuts cause to Massachusetts residents who rely on MassHealth for health care coverage.

2. House 5500, like H.2, authorizes MassHealth and the Health Safety Net to cut adult dental benefits, but at a higher annual cap than H.2 proposed. (Section 53)

- As part of H.2's effort to reduce spending, the Governor proposed authorizing MassHealth and the Health Safety Net to impose limits on adult dental benefits and

assumed a cap of $1,000 per member per year. Similarly, HWM's Section 53 gives MassHealth a free hand to cut adult dental benefits with one change: the cap cannot be less than $1,750 per member per year. Like H.2's proposal, these limitations on dental benefits would not apply to children and youth under age 21, nor to adult members served by the Department of Developmental Services; and some Medicare-eligible MassHealth members might retain dental benefits as they did in 2010 if their managed care plans (One Care and Senior Care Options) again choose not to cut dental benefits in FY 2027.

- Adult dental benefits have been the target of budget cuts in Massachusetts for decades. Significant cuts were made in 2002, restored in 2006, only to be cut again in 2010. Over the next decade, advocates worked to restore dental benefits bit by bit, finally succeeding in restoring the full scope of dental services on January 1, 2021. H.2 and HWM propose the first cuts to dental benefits since they were fully restored in 2021.

- In FY26, the GAA included a proviso requiring that adult dental be covered to the same extent as in the prior fiscal year, along with a report on adult dental services. In FY27 HWM dropped the protective proviso but retained the reporting requirements. As in past years, it would require the Executive Office of Health and Human Services (EOHHS) to report to the Senate and House Ways and Means Committees by March 3, 2027, on any changes MassHealth has made to dental coverage, members' use of dental services in FY26-FY27, the costs and revenue of dental coverage in FY26 and FY27, and the estimated cost effectiveness of dental coverage as a contributor to MassHealth total cost of care. (Line Item 4000-0700) The cost effectiveness of dental coverage and the health implications of losing such coverage, particularly for Medicaid members, have been the subject of innumerable studies for decades. Studies consistently show that reduced dental coverage measurably worsens health outcomes.[6]

- HWM's proposed cap of $1,750 is a significant improvement over H.2's assumed cap of $1,000. However, it would still leave many adults without access to essential dental care, including those requiring dentures and tooth extraction. Poor dental health contributes to other health problems such as heart disease, respiratory infections, and diabetes, and can impact a person's ability to speak, eat, and live with dignity. Whatever savings MassHealth might realize from a cap on dental benefits is likely to be passed on as costs to the hospital system, as many MassHealth members will be forced to seek care for painful and serious dental conditions in hospital emergency departments.

[6] "Biting Into Medicaid: What Happens When States Cut and Expand Medicaid Dental Benefits?", *The CommonWealth Fund,* March 10, 2026. https://www.commonwealthfund.org/blog/2026/biting-medicaid-what-happens-when-states-cut-and-expand-medicaid-dental-benefits

3. **House 5500 again steps in to offer some protection to the PCA Program against drastic cuts by MassHealth beyond what consensus recommendations emerge from the PCA Working Group, however some cuts to the PCA Program assumed in House 2 likely remain embedded in the HWM budget. (4000-0601 and Section 71)**

- The Legislature established the PCA Working Group in 2024 in response to the Governor's attempts to make direct cuts to the Personal Care Attendant (PCA) program for FY25. The final budget for FY25 passed by the Legislature required that the PCA program maintain the same eligibility criteria and level of services in the new fiscal year and directed EOHHS to convene the PCA Working Group to develop recommendations for the long-term sustainability and cost containment for the program. The working group produced a report in March 2025 with recommendations that would reduce spending by about $7.4 million and noted that, with more time, they could identify further cost savings. The Legislature then extended the mandate of the working group in the FY26 final budget and directed EOHHS to submit to the Legislature no later than January 1, 2026, a report on how the recommendations from the working group would be implemented. The PCA Working Group's second report, issued in November 2025, provided consensus recommendations realizing another $32 million in savings.

- More than 56,000 individuals with disabilities and older adults rely on the PCA Program to live independently and with dignity in their homes and communities. Through this vital benefit, members, both adults and children, with permanent or chronic disabilities manage their own care in their own homes and communities. The program pays for personal care attendants to help with activities of daily living (ADLs) such as bathing, eating, toileting and transfers, and "instrumental" ADLs (IADLS) such as shopping, housekeeping, laundry, and meal preparation.

- There is no language in H.2 explicitly cutting the PCA Program, but the Governor's FY27 budget brief on health care states that the budget assumes a $100 million reduction in the PCA Program budget: the $39.4 million already identified by the PCA Working Group plus an additional $68 million more in cuts ($34 million net) yet to be identified. Unlike the FY25 budget proposal, HWM does not commit to maintaining the PCA Program's current eligibility criteria and level of services. However, HWM does require that any further reductions to the PCA Program be implemented only with the agreement of the PCA Working Group. As reported in EOHHS's PCA Working Group Implementation Plan, all of the recommendations to date in the working groups past reports have been or are in the process of being implemented. These include first reducing the PCA overtime ceiling to 66 hours per week beginning at the start of 2026, and then further reducing the ceiling to 60 hours, with an expected effective date of July 1, 2026. Additionally, proposed regulations set an upper limit of seven hours per week on time for the task of support for meal preparation. HWM again leans on the PCA Working

Group, which includes the program's own beneficiaries, to identify further cuts to the program so many depend on. MassHealth maintains that the costs of the PCA program have outpaced the program's growth. An additional $68 million in cost cutting recommendations will likely require considering additional caps on the scope of services, like capping the number of IADLs at the number of ADLs, or freezing the rate of pay for PCAs, or possibly even implementing eligibility restrictions. Moreover, this level of cuts to the PCA program, coupled with additional cuts contemplated to other home care services, has advocates concerned about what is going to happen to the people who rely on these programs: where are they going to go?

4. **House 5500 does not address the significant cuts to Adult Day Health (ADH) and Adult Foster Care (AFC) embedded in the Governor's proposed FY27 budget and also does not formalize the proposed ADH and AFC working groups. (4000-0601)**

- According to the Governor's FY27 budget brief on health care, H.2 assumes a total of $50 million in net savings from $100 million in cuts to Adult Day Health (ADH) and Adult Foster Care (AFC) in FY27. These two programs are part of the MassHealth Long-term Supports and Services (LTSS) portfolio that provide home and community-based assistance with ADLs and IADLs. ADH is a community program where a member goes to receive daytime supervision and services, including nursing services (e.g., medication administration), therapy services, nutrition and dietary services, and case management. Over 10,500 seniors and adults with disabilities participate in ADH programs each year, and over half of this group have memory care or behavioral health needs. In AFC, known both as Adult Foster Care and Adult Family Care, a member receives around-the-clock care living with a lay caregiver who provides assistance with ADLs and IADLs; the AFC agency provides nursing oversight and care management. Over 12,500 individuals receive services through the AFC program.

- MassHealth decided to replicate the PCA Working Group model by convening new ADH and AFC stakeholder taskforces to identify ways to reduce spending in those programs. Unlike the PCA Working Group, HWM did not include the establishment of the working groups for ADH and AFC in the budget proposal. This means that there is no requirement that reductions to the ADH or AFC programs be implemented only with the agreement of the working groups. Additionally, it is unclear whether the decision-making of the ADH and AFC working groups will be open to public scrutiny like the PCA Working Group, with agendas posted and meetings open to the public. While consulting with stakeholders and trying to develop consensus as part of the process of developing cost containment strategies for LTSS programs is the most responsible pathway, concerns remain about the impact on MassHealth members and their families who rely on these vital programs of such significant cost cutting measures. It is also concerning that, while knowing of MassHealth's plans for a moratorium on all rate increases not required by federal law, as

well as the over $200 million in cuts planned for three critical home and community-based LTSS programs, HWM only addresses institutional care with the $30 million earmark.

5. **House 5500 leaves MassHealth free to reduce funding for intensive care management and to no longer require ACOs and MCOS to include in their networks the Behavioral Health and Long Term Services and Supports Community Partners that provided these services.**

- In H.2 the Governor described plans to reduce funding to Accountable Care Organizations (ACOs) for care management by 50% and to eliminate the requirement for ACOs to contract with the Community Partner organizations that provide these services. It does however, "encourage" ACOs to continue contracting with Community Partners. There is nothing in the HWM budget to prevent MassHealth from going forward with these plans and they are well underway. The agency issued a Managed Care Bulletin in February that directed ACOs to no longer enroll members with Community Partners after March 1, and to disenroll all remaining members from Community Partners on June 30, 2026. The organizations that now participate as Community Partners are already laying off staff and at least one has already announced its intention to close. The MassHealth bulletin "encourages" but does not require ACOs to refer CP enrollees to other care management programs.

- The Community Partner program was an integral part of the delivery system transformation that introduced the Accountable Care Organization model in the 1115 Demonstration in 2017. Behavioral Health (BH) and Long-Term Services and Supports (LTSS) Community Partners (CPs) are community-based entities that help coordinate care for ACO and MCO members, and for DMH and Nursing Facility residents with complex needs. In FY27, only CP work with nursing facility residents is slated to continue. Currently, 20 organizations participate.

- The speed with which this program is being dismantled, the lack of robust provisions for transitioning an estimated 36,000 affected high-needs ACO members to other available care management, and the lack of any mechanism to monitor the consequences are deeply concerning.

6. **House 5500 also leaves in place MassHealth's elimination of coverage for weight-loss GLP-1s, a high-cost prescription benefit that has been growing in use.**

- In the past year, MassHealth prescription drug spending grew by 18%, representing 26% of total growth in per-member spending. In particular, GLP-1 drugs (scientifically known as glucagon-like peptide-1 (GLP-1) agonists) accounted for almost half of this increase. H.2 assumes that MassHealth will realize $15 million in net savings through eliminating coverage for GLP-1s used to treat obesity, impacting more than 22,000 MassHealth

members. While these medications have shown incredible promise in reducing obesity and mitigating the harms of obesity-related diseases, they are also incredibly expensive: annual list prices can be as high as $16,000, with net prices between $7,000 and $9,000 after discounts. There is nothing in H.5500 that addresses this benefit reduction.

- MassHealth has already taken cost control measures with respect to GLP-1s used for weight loss, such as tightening clinical eligibility for coverage (such as baseline BMI and co-morbidity criteria) and preferred drugs listings. Additionally, MassHealth is holding a public hearing in early May on proposed amendments to Pharmacy Services regulations that implement MassHealth's termination of coverage of drugs (GLP-1s) prescribed solely for the treatment of obesity or overweight, except for children covered by the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) program. These amended regulations are expected to go into effect on July 1, 2026. Restrictions on access to GLP-1s for weight loss have also been adopted by the Health Safety Net (HSN), as well as other Massachusetts health plans, including Blue Cross Blue Shield of Massachusetts and Mass General Brigham Health Plan. Notably, EOHHS expects the costs for GLP-1s to drop significantly over the next few years, enabling MassHealth to restore coverage of the drugs for weight loss.

7. **House 5500, like H.2, would continue the ConnectorCare pilot benefiting thousands of state residents with income over 300% FPL, but has no solution for thousands of lawfully present immigrants targeted by the so-called One Big Beautiful Bill Act. (1595-5819 and Sections 48 and 52)**

- HWM, like H.2, continues for 2027 the pilot program that was launched in 2024 increasing the upper income limit for the ConnectorCare program. (Section 48) This will enable people with income of 300% - 400% of the federal poverty level (up to $84,600 for a married couple) to maintain affordable coverage with state dollars supplementing federal premium tax credits. HWM also follows H.2 in proposing that certain federal revenue from the 1115 demonstration representing the added cost of the pilot be transferred to the Commonwealth Care Trust Fund (Section 52).

- However, the July 2025 federal reconciliation bill, HR1, the so-called "One Big Beautiful Bill Act" (henceforth "OB3"), amended the ACA to eliminate premium tax credits for lawfully present immigrants with income under 100% FPL (under $21,150 for a married couple) who are financially eligible for the ACA Medicaid expansion but barred by federal Medicaid's more restrictive immigrant eligibility rules. In December 2025, there were 37,000 lawful immigrants with income under 100% FPL enrolled in ConnectorCare; in January 2026, there were none. In January 2027, another OB3 provision will drastically narrow the categories of lawfully present immigrants with income of 100-400% FPL who can qualify to receive federal premium tax credits. The Connector

estimates an additional 25,000 - 30,000 lawful immigrants with income over 100% FPL will lose eligibility in January 2027. HWM, like H.2, is silent on the affordability challenges faced by these Massachusetts residents or any solution for them in FY27.

- Since 2014, ConnectorCare plans have been largely subsidized by federal premium tax credits under the Affordable Care Act, supplemented by funding from the Commonwealth Care Trust Fund (CCTF). Added funding set up at the time of the 2006 state health reform law was still needed after the ACA to assure coverage was affordable in Massachusetts as determined annually by the Health Connector Authority's board of directors. Even during the 5 years from 2020-2025 that the amount of federal tax credits were enhanced, some added state supplements were needed to make coverage affordable With the expiration of enhanced funding on December 31, 2025, the added cost to the CCTF required to still provide affordable coverage for those from 100-400% FPL is estimated at $250 million. This amount will be drawn from the CCTF, which received no added appropriation in FY26 in line item 1595-5819, and none is proposed in FY27.

- The availability of this added state funding is a testament to Chapter 58, recently celebrating its 20 year anniversary, for first creating a structure to pay the full cost of coverage from 2006-2013 with partial federal Medicaid reimbursement returning to the General Fund and since 2014 to supplement the ACA's federal premium tax credits with far fewer state dollars. But as the Governor said in her recent Op Ed co-authored with former Governor Romney, with the federal government now walking away from the ACA's commitment to affordable coverage, now is the time for Massachusetts to lead. So far neither H.2 nor HWM are leading the way for tens of thousands losing coverage under OB3.

8. House 5500 allocates funding for the added administrative costs of implementing significant federal changes.

- Like H.2, HWM responds to the significant policy changes of OB3. The FY27 budget will be the first to reflect OB3-related impacts taking effect in FY27.

- There are three OB3-related changes directly affecting members that will take effect in FY27. The first takes effect October 1, 2026, and restricts immigrant eligibility for federal Medicaid. MassHealth has projected it may affect several thousand adults with lawful statuses no longer federally eligible, including refugees, people granted asylum or humanitarian parole, and domestic violence and trafficking victims. There are also two significant changes taking effect half-way through FY27. These two changes are: (1) implementing work requirements and (2) accelerating the redetermination timeline from once every 12 months to once every six months. These two changes will go into effect on January 1, 2027, and mostly affect the Medicaid expansion population (childless, non-

disabled, non-pregnant adults under the age of 65), primarily consisting of those enrolled in CarePlus: approximately 270,000 members as of February 2026.

- While the Governor projects that OB3 will result in an annual loss of $3.5 billion in federal funding and lead to approximately 300,000 individuals losing health coverage (both from MassHealth and the Health Connector), the full effects of these changes will not be realized until OB3 has been fully implemented. The work requirements will apply to new applicants after January 1, and to current members on their scheduled renewal dates after January 1, 2027. While many are expected to be caught up in red-tape and disenrolled, due process protections still apply, and these effects will not be fully felt in FY27. Nonetheless, the administrative burden of preparing for these changes now is significant. Like H.2, HWM proposes bolstering "IT and administrative capacity to respond to federally imposed cuts and restrictions." We agree that increasing MassHealth's IT and administrative capacity is important; continued investment in member support will be essential to mitigating the harm these federally imposed changes will inflict upon MassHealth members and applicants. Unfortunately, as addressed above, HWM fails to recognize a similar need in DTA's administrative capacity, actually *reducing* funding for DTA caseworkers at a time when enhanced administrative capacity of both DTA and MassHealth is necessary to mitigate OB3's overlapping harm to SNAP recipients and MassHealth members.

- Although not reflected in HWM, the FY25 close-out supplemental budget, signed on November 25, 2025, includes $10 million for Health Care For All (HCFA) to conduct an outreach campaign related to OB3 changes. Specifically, the funding is for HCFA "to work with community-based organizations to conduct health coverage enrollment assistance in targeted areas at risk of losing coverage due to new federally imposed reporting requirements", and includes vaccine outreach and education efforts (Chapter 73 of the Acts of 2025, line item 1599-0300). HCFA has until the end of FY27 to spend these funds. This is timely and important work, as OB3 requires MassHealth to begin reaching out to members about work requirements no later than September 2026. Work requirements and six-month redeterminations will put hundreds of thousands of MassHealth members at risk of losing coverage, primarily for administrative reasons. Clear, trusted communication and community-level enrollment and renewal assistance will be critical to preventing avoidable coverage losses. With its strong connections to trusted community organizations, HCFA is well positioned to lead this effort.

9. House 5500 mirrors H.2's authorization for additional spending on the Health Safety Net, which faces significant and growing funding shortfalls. (Sections 50 and 56)

- The Health Safety Net (HSN) is a state-funded program that reimburses acute care hospitals and community health centers for providing medically necessary services to

uninsured or underinsured low-income residents. Every year, the legislature authorizes a transfer of up to $15 million from the Commonwealth Care Trust Fund (CCTF) to the Health Safety Net. Like H.2, HWM clarifies that the transfer in the GAA for FY26 is in addition to the other authorized transfers for that year. Like H.2, HWM also authorizes a transfer of $15 million specifically from the employer assessment paid into the Commonwealth Care Trust Fund to the Health Safety Net for FY27. (Sections 50 and 56)

- HSN is facing significant and growing financial challenges. In September 2025, in response to a projected $300 million shortfall in FY25, the Governor signed a $234 million relief package to support financially strained hospitals and community health centers, including $77 million for HSN. Still, HSN is projected to face shortfalls exceeding $210 million in FY26 and $240 million in FY27.

- Pending legislation, *An Act to Address the Financial Stability of the Health Safety Net* (H.1354), would address ongoing HSN deficits by requiring commercial health insurance carriers to share in the cost of Health Safety Net Trust Fund shortfalls and by increasing the state's required annual contribution to $60 million.

- Massachusetts anticipates that approximately 300,000 individuals will lose health coverage as a result of federally imposed changes to the Health Connector and MassHealth. Effective January 2026, approximately 36,000 people lost their ConnectorCare coverage because of the changes in federal law. The Massachusetts Health and Hospital Association (MHA) estimates that this coverage loss alone will increase HSN demand by $105 million in FY 2027. This is expected to increase financial pressure on hospitals and community health centers, which rely on HSN to help offset the cost of delivering uncompensated care. Massachusetts will need to continue evaluating both short- and long-term solutions to address the growing HSN funding deficit.

10. House 5500 provides for enhanced access to HIV prevention services. (Sections 28, 36, 38, 40, 44-46)

- HIV prevention through PrEP, pre-exposure prophylaxis, means that routinely taking prescription medicine before being exposed to HIV, when taken as directed, can be highly effective in preventing HIV disease. In a series of outside sections, HWM proposes to reduce access barriers to PrEP for people enrolled in private insurance plans licensed by the state or in MassHealth, and on return to the community following incarceration. Legislation to reduce barriers to PrEP is currently pending in Senate Ways and Means (S. 2883). These measures will supplement the resources of the current DPH-funded PrEP Drug Assistance program.

- Section 28, 40, and 44-46 apply to private insurance. Section 36 applies to MassHealth. The MassHealth section amends G.L.c. 118E by adding a new section 10AA requiring coverage of HIV preventive drugs with no cost-sharing, prior authorization, step therapy or similar protocols and without denying payment for a prescription based on the type or setting of a provider who is licensed to prescribe medications and applies to MassHealth fee for services as well as all contracted managed care entities.

- HWM includes language in Section 38 requiring that, prior to an individual's release, correctional facilities offer HIV prevention counseling, evaluate individuals for PrEP, provide eligible individuals with a supply of an HIV prevention drug at no cost, and ensure individuals receive information and referrals to community-based care to support continuity of care post-release. While limited in scope, this provision is notable as one of the only areas in the budget that addresses pre-release health services. It may provide a useful model as the state considers broader implementation of pre-release services under the 1115 Reentry Demonstration.

C. Homelessness Services

Account	Description	FY26 General Appropriation	FY27 Governor's Budget (H.2)	FY27 House Ways & Means (H.5500)
7004-0101	Emergency Assistance	$276,400,000	$258,600,000	$258,635,649
7004-0108	HomeBASE	$57,300,000	$83,200,000	$82,322,001
7004-0099	DHCD Administration	$16,000,000	$22,200,000	$21,785,301
7004-9316	Residential Assistance for Families in Transition (RAFT)	$207,500,000	$201,200,000	$210,000,000
7004-0100	Operation of Homeless Programs	$18,200,000	$27,800,000	$29,515,982
7004-0102	Homeless Individual Shelters	$113,300,00	$114,000,000	$115,000,000
7004-0104	Home and Healthy for Good Program	$8,900,000	$8,400,000	$8,890,000
7004-0110	Family Shelter Diversion	New line item	$7,500,000	Not in budget

1. **Emergency Assistance (7004-0101) would be funded at $258.6 million, a significant decrease from theFY26 final appropriation which is the same as the governor's budget. The Emergency Assistance (EA) program provides emergency shelter and services to certain families with children who are experiencing homelessness and have no safe place to stay.**

    - In August 2023 the Healey-Driscoll Administration declared a shelter capacity emergency and since then, acting under emergency authority, has implemented a number of restrictions on EA shelter. The changes which have been made through statute, as well as agency guidance, have made it more difficult to access and artificially limited the length of time families can stay in shelter, regardless of whether or not they have a safe place to go. As a result of these policies, as well as federal actions restricting immigration into the United States, the number of families able to access EA shelter has dropped to near-historic lows - as of this writing, there were fewer than 1,500 families enrolled in the EA

shelter program. Advocates will continue the fight to preserve the EA shelter system for children and families.

- Please note some changes have been proposed in the State's supplemental budget that would enhance length of stays for EA residents.

- House 5500 preserves policies restricting access to shelter, including narrowed immigration-related eligibility requirements, increased verification requirements, and limits on the availability of presumptive placements. Advocates will continue to work for a more balanced and humane system for children and families.

- The HWM proposal removes the need for the secretary to provide notice to the house and senate committees on any changes to eligibility for shelter and adds funds shall be expended for use in hotels if there is an unavailability of contracted shelter beds.

2. **HomeBASE (7004-0108) would be funded at $82.2 million, an increase over the FY26 general appropriation but below actual FY26 spending and $1 million below the governor's proposal. HomeBASE was created in FY12 to provide short-term rental assistance, instead of shelter, to families experiencing homelessness.**

- House 5500 retains the HomeBASE benefit limit of $30,000 over a 24-month period and requires the Executive Office to provide benefits of up to $15,000 for an additional 12-month period for eligible families. Over the past year the Executive Office has indicated it will not make payments beyond 24 months. Advocates will work to ensure eligible families receive the 3rd year of benefits, in accordance with the line-item language.

- HWM restores the Governor's required reports to the legislature about HomeBASE, including the number and demographics of families served and how many families return to EA shelter. Additionally, HWM adds that EOHLC shall submit quarterly reports on efforts to work with the office for refugees and resettlement agencies. Advocates will continue to push for this important language.

3. **Executive Office Administrative line item (7004-0099) would be funded at $22.2 million, an increase over the FY26 final appropriation, House 5500 gives approximately $500,000 less than the governor's proposal.**

- HWM restores the Governor's proposal to eliminate a requirement that the Executive Office promulgate and enforce regulations clarifying that recipients of HomeBASE housing assistance should remain eligible for a homelessness priority or preference in state subsidized housing. This language has been included in budgets for the past several years, including the enacted FY26 budget. Advocates will work to ensure this language continues to be included.

- HWM retains language requiring the Executive Office to maintain in-person intake locations in the 10 offices that were open as of January 2026.

- HWM restores the Governor's proposal to eliminate language requiring the Executive Office to report to the legislature, including information about local intake offices, staffing levels at each office, and wait times families are experiencing for direct communication with a staff member.

4. **Residential Assistance for Families in Transition (RAFT) program (7004-9316) would be funded at $201 million, a decrease from the FY26 final appropriation. RAFT is a homelessness prevention program.**

    - House 5500 proposes restoring the governor's eliminated language that allows for up to $3 million for recipients who fall under an expanded definition of "family" which includes unaccompanied youth, elders, persons with disabilities, and other households. Advocates will continue to push for this language.

    - HWM would continue to permit the Executive Office to require a Notice to Quit for households seeking assistance from RAFT. This poses a significant barrier for many in need of assistance and increases the risk of eviction. Advocates will continue to push for a change to this policy to make RAFT available further upstream.

5. **House 5500 Homelessness operations account (7004-0100) would be funded at $29.5 million, an increase over the Governor's proposed budget and an increase over FY26 final appropriation.**

    - HWM requires that the additional money be used for extending intake hours in the city of Boston for a grant program to provide supportive recovery housing, such as sober and halfway housing, for individuals to continue their recovery.

6. **Shelters and services for homeless individuals (7004-0102) would be funded at $115million, $1million over the governor's budget and an increase over the FY26 final appropriation.**

    - HWM adds language that no funds shall be expended for costs associated with the homeless management information system, and that EOHLC is required to submit quarterly reports to the legislature on the contracts that are entered into with service providers.

7. **Home and Healthy for Good program (7004-0104), a program that provides housing for chronically homeless individuals, would be funded at $8.9 million in the HWM budget, a slight increase from the Governor's proposal, a very slight decrease from the FY26 final appropriation.**

    - House 5500 would require that the Massachusetts Housing and Shelter Alliance submit a report to EOHLC and the legislature detailing (i) the number of people served, including available demographic information; (ii) the average cost per participant; (iii) whether participants have previously received services from the executive office; and (iv) any projected cost-savings to the commonwealth.

8. **Family Shelter Diversion (7004-0110) is not included in the House 5500 budget.**

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Outside Sections

SECTION 34. Adds a new section to G.L. c. 111, requiring that after a family enters a temporary emergency assistance shelter, domestic violence shelter, substance use disorder and recovery shelter or non-emergency assistance shelter, any child under 3 years old be referred for an early intervention evaluation and assessment, and that if applicable and needed, early intervention services be rendered. The public health department, in consultation with the executive office of housing and livable communities, is required to promulgate regulations to implement this section.

D. Housing

Account	Description	FY26 General Appropriation	FY27 Governor's Budget (H.2)	FY27 House Ways & Means (H. 5500)
7004-9005	Public Housing Operating Subsidies	$115,600,000	$117,810,000	$117,810,000
7004-9007	Public Housing Reform	$1,250,000	$1,269,215	$1,243,831
7004-9024	Massachusetts Rental Voucher Program	$253,311,840	$278,341,728	$281,341,728
7004-9030	Alternative Housing Voucher Program	$19,461,214	$19,263,183	$19,263,183
7004-3045	Tenancy Preservation Program	$0	$0	$0
0321-1800	Access to Counsel	$2,500,000	$2,500,000	$3,000,000

1. **Public Housing Operating Subsidies (item 7004-9005), which provides operating funds for state public housing, would be increased by HWM from $115.6 million in FY26 to $117.8 million in FY27- a $2.2 million increase.**

    - Public housing residents, public housing authorities, and supporters are requesting an increase to $132.5 Million in FY27 to keep pace with increased costs and the need to maintain public housing. As the Executive Office of Housing and Livable Communities said during a budget briefing early this year – **the state's public housing is one of the state's most effective affordable housing programs.**

2. **Public Housing Reform (item 7004-9007) would be decreased by HWM slightly by $6,000 to $1,243,831.**

    - The line item provides funds to implement chapter 235 of the Acts of 2014 which includes training for resident commissioners as well as funding the implementation of CHAMP (Common Housing Application for Massachusetts Programs).

    - Public housing tenants and their supporters are urging that an additional $350,000 and supporting language be included in this line item to provide tenants with the technical

assistance they need to navigate complicated public housing redevelopment deals and to support implementation of Section 35 of the Affordable Homes Act which protects tenants during public housing redevelopment.

3. **Massachusetts Rental Voucher Program (MRVP) (item 7004-9024) which provides long-term rental subsidies to approximately 10,000 low-income households for use in the private housing market would be increased from $253 million to $281 million. EOHLC expects over 11,500 rental vouchers to be leased by the end of FY27, including over 340 new additional project-based vouchers, but no new mobile vouchers will be created.**

- As part of Governor's Healey's state budget for fiscal year 2026 and in response to a difficult state fiscal situation, EOHLC paused issuance of mobile MRVP vouchers via CHAMP in order to stay within the proposed appropriation while maintaining our commitment to current voucher holders and retaining our ability to support project-based vouchers for new housing development. As of now, that pause is still in place.

- Language proposed in the House 5500 budget proposal is essentially identical to the final line-item language passed in the FY26 Budget and restores a number of provisions that the Governor's proposal stripped from the line item.

- House 5500 language continues the policy that has allowed EOHLC to shift MRVP to a "payment standard model" similar to Section 8 giving more choice and flexibility to households. For details on the system see the MRVP Admin Plan at https://www.mass.gov/doc/mrvpadministrative-plan-2017/downloads.

- HWM also restores the reporting requirements that were present in the FY25 budget, but that were stripped from the Governor's proposal.

- HWM restores language regarding targeting of vouchers to mirror the FY25 language of "not less than 75%", rejecting language included in H1 that would have said "up to 75%," a change that we support.

- HWM continues to give EOHLC discretion to set payment standards using the small area fair market rent (SAFMR). We welcome the inclusion of SAFMRs as they allow a wider range of choices for voucher holders. EOHLC has thankfully used this discretion to set payment standards at 110% of SAFMR, mirroring many Section 8 payment standards This will allow more people to make use of their vouchers, especially in higher rental markets.

4. **HWM would provide $19 million for the Alternative Housing Voucher Program (AHVP) (item 7004-9030), which provides rental vouchers to non-elderly persons with disabilities.**

    - This would be close to level funding from last year's appropriation and matches the Governor's proposal.

5. **Tenancy Preservation Program (TPP) (item 7004-3045) was not funded by HWM for a second year.**

    - TPP is a homeless prevention program that helps preserve tenancies of people with disabilities, age impairments, substance abuse, and other mental health challenges. Case managers locate services and develop and monitor case plans to maintain the tenancy and keep tenants in permanent housing. According to EOHLC, MassHousing, which is the agency that runs the program, is currently supporting TPP.

6. **Access to Counsel in Evictions (item 0321-1800) was increased slightly by HWM to $3 million.**

    - Under this line item, "subject to appropriation" funds are distributed by the Massachusetts Legal Assistance Corporation (MLAC) to designated non-profit organizations to increase access to legal representation for low-income tenants and low-income owner occupants in eviction proceedings.

    - In the program's first full year, 1,192 cases were opened and 88% of cases closed, an eviction was prevented or delayed, outcomes are already demonstrating tremendous impact. See FY25 Access to Counsel Report.

E. Civil Legal Services

Account	Description	FY26 General Appropriation	FY27 Governor's Budget (H.2)	FY27 House Ways & Means (H. 5500)
0321-1600	MLAC	$51,000,000	$52,000,000	$52,000,000

1. **For the Massachusetts Legal Assistance Corporation (item 0321-1600), which supports grants for civil legal aid programs for low-income residents of Massachusetts, House 5500 is recommending an appropriation of $52 million.**

    - This is $1 million more than the FY26 appropriation, and the same amount as the Governor's recommendation. MLAC is requesting an appropriation of $53 million in order to help meet the growing statewide demand for civil legal services.

F. Office of Refugees and Immigrants

Account	Description	FY26 General Appropriation	FY27 Governor's Budget (H.2)	FY27 House Ways & Means (H. 5500)
4003-0124	Immigrant Legal Assistance Fund	$5,000,000	$5,000,000	$7,000,000

1. **House 5500 provides an additional $ 2 Million in funding for Massachusetts Office of Refugees and Immigrants' Immigrant Legal Assistance Fund for FY27 ($ 7 Million)**