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SJC-13051

SUBURBAN HOME HEALTH CARE, INC. vs. EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES, OFFICE OF MEDICAID.

Suffolk. April 9, 2021. - September 3, 2021.

Present: Budd, C.J., Lowy, Cypher, Kafker, Wendlandt, & Georges, JJ.

Medicaid. MassHealth. Limitations, Statute of. Practice, Civil, Statute of limitations. Administrative Law, Exhaustion of remedies.

Civil action commenced in the Superior Court Department on October 7, 2019.

A motion to dismiss was heard by Kenneth W. Salinger, J.

The Supreme Judicial Court on its own initiative transferred the case from the Appeals Court.

Brian T. Kelly for the plaintiff.
David R. Marks, Assistant Attorney General, for the defendant.

KAFKER, J. The primary issue presented in this case is whether the six-year statute of limitations for civil actions in contract applies when the Executive Office of Health and Human

Services, Office of Medicaid (MassHealth), attempts to collect overpayments made to providers in the State Medicaid program, or whether no statute of limitations whatsoever applies to these administrative proceedings, thereby allowing them to be brought indefinitely. In late 2005, MassHealth sent an audit notice to one such provider, Suburban Home Health Care, Inc. (Suburban), but took no further action at that time. Then, more than a decade later in 2016, MassHealth initiated recovery proceedings, alleging that Suburban received approximately $75,000 in overpayments over a three-month period in 2005. Suburban sought declaratory relief in the Superior Court, arguing that the proceedings were time barred because the statute of limitations for "actions of contract" in G. L. c. 260, § 2, applied to MassHealth's overpayment recovery proceedings. A Superior Court judge rejected Suburban's arguments, concluding that the administrative proceedings to collect these overpayments could never be considered civil actions and therefore no statute of limitations applied.

Statutes of limitations serve fundamental purposes ensuring the efficient, accurate, and equitable resolution of disputes, and the Legislature has established time frames based on the nature of the dispute. Where a statutory scheme is silent or ambiguous as to a statute of limitations, we generally look to the essential nature of the rights involved to determine which

statute of limitations applies. Silence or ambiguity alone is not sufficient to support the conclusion that there is no statute of limitations whatsoever. Rather, we require express or at least clear legislative guidance to that effect. In the instant case, the essential nature of the right is contractual, and the Legislature has not expressed a clear intention that no statute of limitations applies. Accordingly, we reverse the judgment that no statute of limitations applies to the administrative proceedings at issue here. We hold that the six-year statute of limitations for contract actions governs, and that MassHealth's decades-old attempt to collect the overpayment in this case is time barred.

1. Background. a. Medicaid and reimbursement. MassHealth administers the Medicaid program for the Commonwealth. Daley v. Secretary of the Exec. Office of Health & Human Servs., 477 Mass. 188, 190 (2017). States that participate in the Medicaid program "must comply with certain requirements imposed by [Federal statute] and regulations promulgated by the [United States Secretary of Health and Human Services] through [the Centers for Medicare and Medicaid Services]." Id. As part of its administration of the Commonwealth's program, MassHealth is required to enter into agreements with the companies that provide medical service to covered individuals. See G. L. c. 118E, § 36. MassHealth pays

the provider directly for the eligible care and services it provides. G. L. c. 118E, § 30. Providers have ninety days from the date the services or goods are provided to send MassHealth a bill, and MassHealth must verify at least ten percent of the bills with the recipient. G. L. c. 118E, § 38.[1] Suburban is a Medicare and Medicaid certified home health agency that provides in-home nursing and rehabilitative therapy services. It first entered into a provider agreement with MassHealth in 1994.

The agreement is relatively straightforward. Suburban promised "[t]o comply with all state and federal statutes, rules, and regulations applicable to the Provider's participation in the Medical Assistance Program." Suburban also agreed "[t]o keep such records as are necessary to disclose fully the extent of the services to recipients and to preserve these records for a minimum period of four years"[2] and to provide any information upon request regarding services for which it claimed payment. In exchange, MassHealth agreed to pay Suburban "for all reimbursable services and goods actually and properly delivered to eligible recipients and properly billed to

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[1] The provider must retain proof of the "actual delivery to recipients of services and goods for which bills are submitted." G. L. c. 118E, § 38.

[2] Under 130 Code Mass. Regs. § 450.205(G) (2017), providers are required to retain records for at least six years or for such length of time as is required by regulation of a governing agency, whichever is longer.

[MassHealth] both in accordance with the terms of this Provider Agreement and in accordance with all applicable federal and state laws, regulations, rules, and fee schedules."

An overpayment results when a provider's reimbursement exceeds that to which the provider is legally entitled. See 130 Code Mass. Regs. § 450.235(A) (2018) (identifying categories of overpayments). MassHealth has a legal obligation to recoup the overpayment. See 42 C.F.R. § 433.312. The procedures governing the recovery of overpayments -- found in G. L. c. 118E, § 38, and 130 Code Mass. Regs. § 450.237 (2017) -- are among the many applicable laws and regulations to which providers agree when they execute a provider agreement.

The recoupment proceeding begins when MassHealth sends an initial notice of overpayment to the provider when it believes that an overpayment has been made. 130 Code Mass. Regs. § 450.237(A).[3] The notice must include the amount believed to have been overpaid and the basis for concluding that it is an overpayment. Id. The provider has thirty days to respond to the initial notice. 130 Code Mass. Regs. § 450.237(B). In its

[3] The overpayment can be based on a determination by MassHealth, another State agency, or a Federal agency. 130 Code Mass. Regs. § 450.237(A) (2017). If the determination is not made by MassHealth, MassHealth must tell the provider which agency made the determination. Id. Providers also have an obligation to self-report any overpayment within sixty days of the provider identifying the overpayment. 130 Code Mass. Regs. § 450.235(B) (2017).

response, the provider must contest any allegations in the initial notice with which it disagrees. Id. It also may provide data or argument in support of its claim for payment. Id. The provider must submit any documentary evidence it wants MassHealth to consider with its reply. Id. MassHealth then reviews the information it requested as well as any information submitted by the provider in its reply. 130 Code Mass. Regs. § 450.237(C). If MassHealth determines that the provider has been overpaid, it must send the provider a notice of its final determination. Id. The provider can then appeal from the final determination in an adjudicatory hearing before the board of hearings. 130 Code Mass. Regs. § 450.237(D).

b. Audit of Suburban. On December 2, 2005, MassHealth, through its noninstitutional provider review unit, informed Suburban that it would be initiating an audit (a "retrospective utilization review and peer review of services") of services rendered to MassHealth.[4] On December 27, MassHealth's third-party vendor at the time, MassPRO, contacted Suburban regarding

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[4] The regulations provide that MassHealth can initiate overpayment recovery procedures if such a utilization review uncovers overpayments. See 130 Code Mass. Regs. § 450.205(H) (2017) ("In cases where audits or other reviews reveal provider noncompliance . . . , [MassHealth] may seek to pursue recovery of overpayments and to impose sanctions in accordance with the provisions of [130 Code Mass. Regs. §§ 450.000]"). Once MassHealth initiates an audit or other review of a provider, the provider must retain the records at issue indefinitely. 130 Code Mass. Regs. § 450.205(G).

the audit. This audit concerned the period from June 1, 2005, through August 30, 2005. MassPRO requested thirteen specific categories of documents as well as all other "pertinent" documents. MassPRO gave Suburban twenty-one days to provide the information. According to Suburban, it provided MassPro with the requested documents in early 2006. Suburban alleges that, also in early 2006, MassPRO auditors held a "close-out" meeting with Suburban's director of nursing and informed Suburban that its review had not identified any concerns. This was the last time that MassPRO communicated with Suburban.

Over ten years passed during which neither MassHealth nor its vendors took any further action on the audit. Then, on November 8, 2016, Suburban received an initial notice of determination of overpayment from MassHealth arising out of the audit. MassHealth determined that several violations resulted in overpayments totaling $95,291.38. It directed Suburban to contact its new vendor, MAXIMUS Federal Services, Inc. (MAXIMUS), and respond to the notice within thirty days. On December 6, 2016, Suburban sent MAXIMUS its written response, asserting various equitable and statutory arguments challenging the ability of MassHealth to collect the overpayments. MassHealth and Suburban held an informal conference on December 7, at which, Suburban alleges, MassHealth represented that MAXIMUS would issue a final notice within thirty days. About

ninety days later, Suburban contacted MassHealth regarding the review. MassHealth responded that MAXIMUS was in the final stages of completing its review of the initial notice. Suburban followed up again in May 2017 but did not receive a response.

Again, a long time passed without a word from MassHealth or MAXIMUS. Finally, on September 9, 2019, over two years after its last communication with MassHealth, Suburban received a final notice of determination of overpayment. In the final notice, MAXIMUS informed Suburban that the final amount of overpayments was $75,538.49. Suburban filed for an adjudicatory hearing with the MassHealth board of hearings on October 7, 2019.[5]

That same day, Suburban also filed its complaint seeking declaratory and injunctive relief in the Superior Court. Suburban's complaint argued that MassHealth's overpayment procedure is subject to the six-year statute of limitations for "actions of contract" in G. L. c. 260, § 2, and therefore is time barred. MassHealth moved to dismiss the complaint, arguing that Suburban failed to exhaust its administrative remedies and that the statute of limitations only applied to civil actions and not to administrative collection procedures. The judge

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[5] As of the time of briefing in this case, the hearing before the board of hearings has not been held. According to Suburban, these hearings are "typically scheduled two to three years after" a hearing is sought.

agreed that the statute of limitations did not apply and dismissed the complaint. Suburban appealed, and we transferred the case to this court on our own motion.

2. Discussion. In reviewing a motion to dismiss, we accept as true the allegations in the complaint and draw every reasonable inference in favor of the plaintiff. See Curtis v. Herb Chambers I-95, Inc., 458 Mass 674, 676 (2011). This appeal raises two issues. First, we must determine whether Suburban failed to exhaust its administrative remedies before seeking judicial review. Second, we must determine whether the overpayment recovery procedures are "actions of contract" and therefore subject to the six-year statute of limitations in G. L. c. 260, § 2. We address each issue in turn.

a. Exhaustion of administrative remedies. MassHealth argues that Suburban has failed to exhaust its administrative remedies before seeking judicial review. In this context, MassHealth argues that exhaustion requires Suburban to first proceed before the board of hearings. Suburban can then seek judicial review of the board's order under G. L. c. 30A.

"As a general rule, we require parties to exhaust their administrative remedies prior to seeking judicial relief." Luchini v. Commissioner of Revenue, 436 Mass. 403, 404-405 (2002). This rule is "not a mere procedural device to trap the unwary litigant; rather, it is a sound principle of law and

jurisprudence aimed at preserving the integrity of both the administrative and judicial processes." Assuncao's Case, 372 Mass. 6, 8 (1977). Indeed, "allowing the administrative process to run its course . . . gives the administrative agency in question a full and fair opportunity to apply its expertise to the statutory scheme." Hingham v. Department of Hous. & Community Dev., 451 Mass. 501, 509 (2008), quoting Gill v. Board of Registration of Psychologists, 399 Mass. 724, 727 (1987). It also preserves judicial resources. See Massachusetts Respiratory Hosp. v. Department of Pub. Welfare, 414 Mass. 330, 337-338 (1993) (not requiring parties to exhaust administrative remedies "would unfairly undermine the role of administrative agencies and unreasonably burden judicial resources").

There are, however, "rare" exceptions to this rule. See Athol Memorial Hosp. v. Commissioner of the Div. of Med. Assistance, 437 Mass. 417, 426 (2002). When considering whether to excuse the failure to exhaust administrative remedies, we look at "whether resort to the administrative remedy would be futile; whether the case raises important public questions whose resolution will affect people beyond the parties to the case; whether pursuing the administrative remedy will result in irreparable harm to either party; and whether there is a question of law peculiarly within judicial competence" (quotation and citations omitted). Temple Emanuel of Newton v.

Massachusetts Comm'n Against Discrimination, 463 Mass. 472, 479-480 (2012).

The judge below concluded that exhaustion was not required in this case. He reasoned that "the case presents a purely legal question of wide public significance." He also explained that "[w]hether MassHealth's recoupment efforts are barred by a statute of limitations, and whether MassHealth may offset the alleged overpayments against future amounts owed before completing its administrative hearing process, reduce to questions of law because the underlying facts are not in dispute."

We agree that this is a rare case in which the party seeking declaratory relief need not exhaust the administrative process. Whether overpayment recoupment proceedings are governed by a statute of limitations is a question of law "peculiarly within judicial competence" (citation omitted). Temple Emanuel of Newton, 463 Mass. at 479-480. This question also has significance beyond just this case. Id. Moreover, none of the material facts relevant to the statute of limitations question is disputed. It would make little sense to force Suburban to spend several years litigating before the board of hearings if MassHealth is clearly barred by a statute of limitations. Given the importance, uncertainty, and

dispositive nature of the purely legal issue before us, we conclude that exhaustion is not required.

Athol Memorial Hospital is not to the contrary. There, providers sued the division of medical assistance (division) after the division declined to reimburse the providers for certain Medicaid claims. Athol Memorial Hosp., 437 Mass. at 418. The providers commenced their lawsuit without exhausting the regulatory procedures for challenging the division's rejection of their reimbursement. Id. at 420. We affirmed a judgment for the division because the providers failed to exhaust their administrative remedies. Id. at 418. In doing so, we explained that the failure to exhaust their administrative remedies was fatal because the Legislature clearly intended that "factual disputes under the medical assistance program [be] resolved in the first instance by the division" (emphasis added). Id. at 427. In the underlying complaint in this case, Suburban is not contesting the underlying overpayment determination or the factual basis for it at this time;[6] it instead challenges MassHealth's legal right to recoup the overpayment at all.

[6] We do recognize that Suburban has filed an appeal to the board of hearings. We emphasize that if it were not for the importance, novelty, and dispositive nature of the legal issue before us, we would require the administrative process to be completed first.

Accordingly, we conclude that Suburban was not required to exhaust its administrative remedies.

b. Statute of limitations. i. Purposes of limitations on claims. Before considering the applicability of a statute of limitations to these proceedings, it is helpful to review their fundamental purposes. They promote the efficient, accurate, and equitable resolution of disputes, requiring parties to proceed within a reasonable amount of time of notice of the claim when evidence is available and before memories fade. See Klein v. Catalano, 386 Mass. 701, 709 (1982), quoting Rosenberg v. North Bergen, 61 N.J. 190, 201 (1972) ("There comes a time when . . . 'evidence has been lost, memories have faded, and witnesses have disappeared'"). They discourage plaintiffs from sleeping on their rights and provide defendants with the ability to defend themselves. See Artis v. District of Columbia, 138 S. Ct. 594, 608 (2018) (primary purposes of statutes of limitations are "preventing surprises to defendants and barring a plaintiff who has slept on [its] rights" [quotations and citation omitted]). This in turn helps preserve the integrity and accuracy of the judicial process by ensuring that courts have sufficient, reliable evidence to decide cases. See, e.g., Order of R.R. Telegraphers v. Railway Express Agency, 321 U.S. 342, 348-449 (1944) ("Statutes of limitation . . . are designed to promote justice by preventing surprises through the revival of claims

that have been allowed to slumber until evidence has been lost, memories have faded, and witnesses have disappeared"). Ultimately, statutes of limitations represent a policy determination by the Legislature as to the point at which even meritorious claims should be barred. See Board of Regents of the Univ. of N.Y. v. Tomanio, 446 U.S. 478, 487 (1980) ("Thus in the judgment of most legislatures and courts, there comes a point at which the delay of a plaintiff in asserting a claim is sufficiently likely either to impair the accuracy of the fact-finding process or to upset settled expectations that a substantive claim will be barred without respect to whether it is meritorious").

Reflecting the important purposes of statutes of limitations, G. L. c. 260 sets out numerous statutes of limitations, with different time frames selected for different types of actions. For example, the statute of limitations for personal injury tort actions is three years, see G. L. c. 260, § 2A, whereas the statute of limitations for "[a]ctions arising on account of violations of any law intended for the protection of consumers" is four years, see G. L. c. 260, § 5A. These, along with the multitude of other statutes of limitations in G. L. c. 260, demonstrate how the Legislature has balanced the considerations for different types of actions and determined the most appropriate period.

ii. Discerning an appropriate statute of limitations. With these purposes and provisions in mind, we now consider whether overpayment recoupment proceedings are subject to a statute of limitations. In doing so, our task is to discern whether the Legislature intended for such claims to be subject to a statute of limitations and, if so, which one. Given the fundamental purposes of statutes of limitations, and the Legislature's consideration and division of them into many different categories, we are most hesitant to conclude that the Legislature intended no statute of limitations to apply, absent express guidance to that effect. As we explained in Nantucket v. Beinecke, 379 Mass. 345, 347-348 (1979),

> "We find nothing in the legislative history . . . which would suggest that the Legislature, by not specifically prescribing a period of time within which an action under [the statute] must be brought, intended that actions not be time-limited. If such a result had been intended, it would have been natural for the Legislature to express such an intention."

See DelCostello v. International Bhd. of Teamsters, 462 U.S. 151, 158 (1983) (where "there is no federal statute of limitations expressly applicable to this suit," court does "not ordinarily assume that Congress intended that there be no time limit on actions at all"). Instead, where, as here, the statutory scheme does not contain an express statute of limitations, we generally look to the "essential nature of the right" at issue. Beinecke, supra at 347. See DelCostello,

supra (in absence of express statute of limitations, court has "generally concluded that Congress intended that the courts apply the most closely analogous statute of limitations").

Suburban argues that the statute of limitations in G. L. c. 260, § 2, which applies to "actions of contract," applies to overpayment recoupment actions by MassHealth. We agree that the essential nature of the right at issue in this case is, essentially, a contractual one. The relationship between MassHealth and providers like Suburban is governed by the provider agreement, which in turn incorporates the complex statutory and regulatory frameworks governing Medicaid. In the agreement, Suburban promised to provide goods and services, comply with all applicable laws, and maintain the necessary records and provide them upon request. In return, MassHealth promised to reimburse Suburban. This relationship is most analogous to that of private contracting parties. Notably, this is the type of relationship that the Legislature contemplated when it mandated that providers enter into agreements with MassHealth. See G. L. c. 118E, § 36 (3)-(5) (providers must agree to various terms).

Moreover, most, if not all, of the concerns underlying statutes of limitations are implicated here. There is no reason why the Legislature would not have wanted MassHealth to proceed expeditiously and diligently to enforce its rights, as it has a

financial incentive to detect and recover all overpayments as quickly as possible. Likewise, the providers have an interest in avoiding untimely processing of these disputes that would make their defense and resolution more difficult. See Colorado Springs v. Timberlane Assocs., 824 P.2d 776, 782-783 (Colo. 1992), quoting Shelbyville v. Shelbyville Restorium, Inc., 96 Ill. 2d 457, 463 (1983) ("We agree . . . that '[l]ong delays by the government in instituting suit, of course, cause harm to the defendant and are in the interest of no one'"). There is no obvious justification for giving MassHealth an unlimited period of time to collect overpayments, and we will not assume that the Legislature intended to do so absent express guidance to that effect.

Therefore, because the nature of the right asserted by MassHealth against providers is closely analogous to an "action of contract," we conclude that MassHealth is subject to the six-year statute of limitations in G. L. c. 260, § 2. MassHealth therefore has six years from the date its action against the provider accrues to commence its administrative proceedings. See Anawan Ins. Agency, Inc. v. Division of Ins., 459 Mass. 592, 595, 598 (2011) (date agency initiated action with show cause order is relevant date for purposes of limitations period). See also 130 Code Mass. Regs. § 450.237(A) (recoupment proceeding initiated by initial notice sent to provider). Here, the cause

of action accrued, at the very latest, when MassHealth sent Suburban the audit notice and received records for the relevant time period in late 2005 and early 2006. See Melrose Hous. Auth. v. New Hampshire Ins. Co., 402 Mass. 27, 32 (1988) ("contract claim accrues at the time of the breach").[7] Once MassHealth had these records, it had more than enough time within the limitations period to identify the overpayments and initiate the recovery proceedings. MassHealth did not give Suburban the initial notice within that six-year period, instead waiting over ten years. Thus, MassHealth's proceedings against Suburban are barred by the statute of limitations.[8]

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[7] We need not address today whether the statute of limitations in overpayment recovery proceedings is subject to a discovery rule or any other tolling doctrines. See, e.g., Williams v. Ely, 423 Mass. 467, 473 (1996) (statute of limitations in some cases does not run "until the plaintiff knows or reasonably should know that he or she has been harmed"). See also SiOnyx, LLC v. Hamamatsu Photonics K.K., 332 F. Supp. 3d 446, 467 (D. Mass. 2018) (applying discovery rule to breach of contract claim and discussing various other tolling doctrines).

[8] Because we conclude that MassHealth's overpayment recovery efforts are time barred in this case, we do not address Suburban's alternative argument that MassHealth is barred from collecting the overpayment by the doctrine of laches. We have not, however, applied the doctrine of laches against the Commonwealth in these circumstances. See Board of Health of Holbrook v. Nelson, 351 Mass. 17, 19 (1966) ("The defence of laches is not available to the defendants where the proceeding is brought by an authorized public agency to enforce the laws of the Commonwealth").

MassHealth makes a number of arguments as to why no statute of limitations applies, none of which is persuasive. MassHealth first relies on a line of cases holding that an administrative proceeding is not an "action" as that word is used in G. L. c. 260. See Sisson v. Lhowe, 460 Mass. 705, 709 (2011); State Bd. of Retirement v. Woodward, 446 Mass. 698, 706 (2006); Shafnacker v. Raymond James & Assocs., Inc., 425 Mass. 724, 729-730 & n.6 (1997). See also West v. Gibson, 527 U.S. 212, 220 (1999) ("the word 'action' often refers to judicial cases, not to administrative 'proceedings'"); New York Gaslight Club, Inc. v. Carey, 447 U.S. 54, 60–62 (1980) (explaining difference between "actions" and administrative "proceedings"). It specifically argues that overpayment recoupment proceedings under G. L. c. 118E, § 38, and 130 Code Mass. Regs. § 450.237 are not "actions of contract" under G. L. c. 260, § 2. MassHealth argues more generally that no administrative proceedings would be subject to statutes of limitations that refer to "actions."[9] We disagree.

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[9] We note that the Legislature did not use the term "court action"; it simply used the term "action." G. L. c. 260, § 2 (chapter title, "limitations of actions;" section title, "contract actions"). Moreover, courts have long indicated that the plain meaning of "action" is broader and depends upon context. See, e.g., Vieira v. Menino, 322 Mass. 165, 168 (1947) ("the word action is used in its comprehensive sense as meaning the pursuit of a right in a court of justice without regard to the form of legal proceedings . . . and not in the narrow significance in which it is sometimes employed to indicate a

We previously have determined that statutes of limitations apply to certain administrative proceedings. In Zora v. State Ethics Comm'n, 415 Mass. 640, 646-648 (1993), for example, we concluded that proceedings brought by the State Ethics Commission under G. L. c. 268A were subject to the three-year statute of limitations in G. L. c. 260, § 2A. Similarly, in

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specific remedy at law" [quotation and citation omitted]); Matter of Keenan, 287 Mass. 577, 581 (1934) ("It is manifest that the word 'action' is not used in any narrow sense," and Legislature intended term action "to embrace civil proceedings in general without special regard to the form"); Pigeon's Case, 216 Mass. 51, 56-57 (1913) (rejecting narrow definition of "action" and applying it to any situation where "proceeding under the act contemplates ultimate enforcement in a judicial court"). For example, courts regularly refer to administrative actions in addition to and alongside judicial actions. See, e.g., Walpole v. Secretary of the Exec. Office of Envtl. Affairs, 405 Mass. 67, 72 (1989) (referring to certiorari after exhaustion of administrative remedies as action); Manzaro v. McCann, 401 Mass. 880, 883 (1988) (tenant may "seek[] relief in any judicial or administrative action"); J. & J. Enters., Inc. v. Martignetti, 369 Mass. 535, 541 (1976) (referring to "cases where judicial action should await administrative action"); Clark & Clark Hotel Corp. v. Building Inspector of Falmouth, 20 Mass. App. Ct. 206, 209 (1985), quoting Nelson v. Blue Shield of Mass., Inc., 377 Mass. 746, 752 (1979) ("The general rule, even where there is an alternate judicial or statutory remedy providing access to the courts, is that, if administrative action 'may afford the plaintiffs some relief, or may affect the scope or character of judicial relief, exhaustion of the possibilities [of such administrative action] should ordinarily precede independent action in the courts'"). The Legislature also uses the term "administrative action" to refer to administrative proceedings. See, e.g., G. L. c. 6A, § 16CC (defining "administrative action" as "an action taken to resolve issues through negotiation and mediation with a long term care facility or assisted living residence"); G. L. c. 175, § 177W (authorizing "administrative action against a reinsurance intermediary" "in addition to" other remedies); G. L. c. 176W, § 6 (referring to "any judicial or administrative action").

Anawan Ins. Agency, Inc., 459 Mass. at 597-598, we concluded that the administrative enforcement action brought by the Division of Insurance against an insurance agency for employing an unlicensed agent was subject to the statute of limitations in G. L. c. 260, § 5A. In both cases, when confronted with a statutory scheme that was silent as to a statute of limitations for administrative actions, we examined the nature of the right or claim at stake to determine the applicability of a statute of limitations.[10]

Furthermore, in cases where we determined that no statute of limitations whatsoever was provided, we had clear legislative guidance to that effect. In Woodward, 446 Mass. at 699-700, a case on which MassHealth and the Superior Court heavily relied, the State Board of Retirement initiated proceedings to terminate a former State representative's pension. The State representative had been convicted of various fraud and bribery offenses. Id. at 699. We concluded that the proceedings were

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[10] MassHealth posits a simple binary distinction between court actions and all other proceedings. We have never adopted such a simple test. If we had, all of the cases MassHealth cites for this proposition could have been decided in one or two sentences: the court could have essentially written that the case was an administrative proceeding and not a court action and therefore the absence of an express limitation meant that there was no limitation, period. That has never been the case. Rather, we thoroughly examine the essential nature of the right and proceedings to determine whether a statute of limitations applies or not.

not subject to a statute of limitations. Id. at 708. In doing so, we placed great weight on the unequivocal language in the statute providing that "[i]n no event shall any member after final conviction . . . be entitled to receive a [pension]" (emphasis added). Id., quoting G. L. c. 32, § 15 (4). Indeed, we said that forfeiture under § 15 (4) "is mandatory and occurs by operation of law" and that it "is an automatic legal consequence of conviction of certain offenses," allowing no discretionary decision-making by the administrative agency (citation omitted). Woodward, supra at 705. Finally, we stressed that "[i]t would be illogical to permit the board to accomplish by inattention or inaction what it is prohibited from doing as a matter of discretion." Id. at 708.

We also are struck by the absurd consequences of MassHealth's argument. Taken to its logical conclusion, MassHealth's argument would mean that no administrative proceeding would have a time deadline for commencement or conclusion unless the Legislature expressly imposed a statute of limitations. Like Rip Van Winkle, an administrative agency could wake up twenty or even a hundred years later and bring enforcement proceedings against a provider or other party doing business with the government. We do not believe that was the Legislature's intention.

MassHealth makes several other arguments why no statute of limitations applies to its actions to recoup overpayments. It points to G. L. c. 118E, § 44, which contains a six-year statute of limitations on civil actions brought by the Attorney General or district attorneys for violations of c. 118E. G. L. c. 118E, § 44 ("No action shall be brought under this section more than six years after it accrues"). Unlike MassHealth, they are not parties to the provider agreement. MassHealth argues that the omission of MassHealth from this statute of limitations provision demonstrates that the Legislature could have subjected MassHealth to a statute of limitations but deliberately chose not to do so.

We conclude that the Legislature's express inclusion of a six-year statute of limitations in a related proceeding is informative but not dispositive. In expressly selecting a statute of limitations period for these causes of actions, the Legislature settled on the six-year period applicable to contract actions. It did so even though the cause of action created by § 44 applies to any violation of many provisions in c. 118E, not just the overpayment recoupment provisions. In one sense, this supports our conclusion that the Legislature would consider a six-year statute of limitations appropriate for the claims at issue here, as MassHealth's claim against Suburban is

more akin to a traditional contract action than the type of government enforcement action created by § 44.

That being said, MassHealth correctly points out that the Legislature expressly stated that the six-year statute of limitations applied to § 44 actions and was silent about the administrative claims at issue here. Although this difference gives us pause, we conclude that, on balance, § 44 provides little to no guidance, and the limited guidance it does provide counsels in favor of a six-year statute of limitations for the claims here. Given the fundamental purposes of statutes of limitations, and the absurd consequences of not including any statute of limitations whatsoever for administrative proceedings, we discern no reason why the Legislature would not want to impose a statute of limitations. As explained above, we require express guidance from the Legislature to conclude that no statute of limitations whatsoever applies. Presented with silence or some ambiguity, as here, we look to the essential nature of the right, which in this case we conclude is contractual.

MassHealth also argues that the Legislature intended for providers to be liable for "all overpayments owed to the division." G. L. c. 118E, § 36 (5) (providers must "agree to be responsible for all overpayments owed to the division, including, in the case of transfer of ownership, the

overpayments of any and all previous owners"). It argues that the phrase "all overpayments" cannot be read to mean that MassHealth can only recover overpayments within a limited period of time. We do not read this language so broadly. Instead, we think the more natural reading is that it ensures that providers are liable for the full amount of any overpayment timely identified by MassHealth.

Finally, MassHealth argues that our interpretation should be guided by the Federal scheme, which MassHealth contends does not contain any statute of limitations on the Federal government's ability to recoup overpayments from the States, see 42 C.F.R. §§ 433.300-433.322, as it does not include any express language adopting a statute of limitations. MassHealth presents no Federal case law to support this unlimited, open-ended interpretation of Federal recovery proceedings, just administrative agency decisions. See id. (omitting any statute of limitations in Federal overpayment recoupment procedure). Regardless, this argument conflates the relationship between the Federal government and the States on one hand and the States and the providers on the other. These two relationships are distinct and governed by different sets of rules.[11] As a result,

[11] Notably, States are given some discretion in structuring their State plans as long as the plans are consistent with Federal law. See Atlanticare Med. Ctr. v. Division of Med. Assistance, 485 Mass. 233, 235-236 (2020).

even if the Federal government does not provide for a statute of limitations on its recovery from the State, a proposition that has by no means been established by MassHealth's briefing to this court, the rules that govern the Federal-State relationship do not compel a particular interpretation of whether there is a statute of limitations governing recoupment proceedings under G. L. c. 118E.

3. Conclusion. For the foregoing reasons, we reverse the order dismissing the case and conclude that the claim is time barred. We remand the case for further proceedings consistent with this opinion.

So ordered.