



January 18, 2024

The Honorable Josh Shapiro  
Governor  
Commonwealth of Pennsylvania  
508 Main Capitol Building  
Harrisburg, PA 17120  
*Via Electronic Mail*

Dear Governor Shapiro:

On behalf of the Pennsylvania Homecare Association (PHA), a statewide association representing nearly 700 homecare, home health, hospice, and supporting organizational members, I write in advance of your 2024-25 Executive Budget address to urge you to include an increase in funding for programs and services that will enhance the quality of life for vulnerable populations, as previously discussed with members of your administration.

PHA represents nursing, therapy, non-medical personal assistance services (PAS), and end-of-life care in hundreds of thousands of individual’s homes across the Commonwealth. Many of the services are provided through Pennsylvania’s Medical Assistance program and require an investment of state funds. Without the necessary funding, home-based care providers cannot compete in the marketplace for qualified employees because they cannot offer competitive wages. Unlike providers who provide care to non-Medicaid recipients, Medicaid-enrolled providers are unable to pass costs through to their consumers and patients. Recent increases have not kept pace with inflation, nor do they reflect the actual cost of delivering high quality care.

In Pennsylvania the average Medicaid fee-for-service reimbursement rate for personal assistance services is \$20.63 per hour, which is significantly less than nearly all the bordering states. While some neighboring states have a moderately higher average cost of living per U.S. News and World Report, it is especially notable that Ohio recently increased rates while ranking below Pennsylvania in average cost of living. Additionally, Pennsylvania ranks fifth among all the states in population of adults 65 years or older, with the population of adults over 85 years of age with more acute needs growing at more than 10 times the general population.

**Medicaid Fee – for – Service Rates for Personal Assistance Services**

State	Hourly Rate	Average Cost of Living Per Year <sup>1</sup>
Pennsylvania	\$20.63	\$40,066
New York	\$42.30	\$49,623
New Jersey	\$25.16	\$49,511
Maryland	\$47.00	\$48,235
Ohio	\$28.96	\$35,932
Delaware	\$27.42	\$44,389
West Virginia	\$18.92	\$34,861

<sup>1</sup> [Examining The Cost Of Living By State In 2024](#)

## Private Duty Nursing Medicaid Fee – for – Service Rates

State	Hourly Rate Registered Nurse (RN)	Hourly Rate Licensed Practical Nurse (LPN)
Pennsylvania	\$66.20	\$44.08
New Jersey	\$63.00	\$51.00
Maryland	\$71.27	\$46.18
Connecticut	\$59.17	\$50.06
Delaware	\$63.66	\$57.04
Virginia	NOVA: \$81.62 Rest of State: \$71.29	NOVA: \$71.29 Rest of State: \$52.40

The reality is direct care workers, nurses, and home health aides providing care to the most vulnerable communities are not being paid competitive wages that reflect the valuable work that they do. Retaining workers in a field with an average turnover rate of 40 to 60 percent each year is an impossibility with the current level of state support. If home health care agencies are going to attract and retain a highly qualified workforce, Pennsylvania's Medical Assistance programs must be funded appropriately.

We commend you for your allocation of state funds to offset expiring federal ARPA funds during the current 2023-24 fiscal year, and we hope that commitment to retain previous increases is included in your upcoming proposal. Further, we recognize the recently-announced grant funding available through the Department of Labor and Industry to bolster programs that support the direct care workforce. That said, more must be done.

Over a decade of chronic underfunding as a result of largely stagnant Medicaid rates for personal assistance services has placed a severe strain on homecare agencies across the Commonwealth – additional funding is needed now. By directing additional funding to the Community HealthChoices waiver, pediatric home health aide services, pediatric shift nursing services, and adult shift nursing services, you will help to incentivize individuals to join and remain in the caregiving workforce, which will protect access to high quality home-based care for thousands of Pennsylvanians every day.

The challenges facing Pennsylvania's health care continuum and broader economic health are worsening with an increased demand for health care and long-term care services predicted in the coming years. The burden placed on family caregivers has already had downstream impacts on the state's broader workforce and economy, and the outlook remains negative without significant investment in supporting a stable, sustainable homecare workforce.

I urge you to prioritize individuals who rely on home-based care as a lifeline as well as caregivers providing that critical care in this year's budget. Pennsylvania's economic viability depends upon it.

Sincerely,



Mia Haney  
Interim CEO  
PA Homecare Association

cc: The Honorable Uri Monson  
Governor's Office of Budget

The Honorable Kim L. Ward  
Pennsylvania State Senate

The Honorable Joe Pittman  
Pennsylvania State Senate

The Honorable Jay Costa  
Pennsylvania State Senate

The Honorable Joanna McClinton  
Pennsylvania House of Representatives

The Honorable Matthew D. Bradford  
Pennsylvania House of Representatives

The Honorable Bryan Cutler  
Pennsylvania House of Representatives