



Department of Human Services

May 23, 2024

Office of Developmental Programs, Division of Provider Assistance and Rate Setting

4th Floor, Health and Welfare Building, 625 Forster Street

Harrisburg, PA 17120

Via Electronic Mail

Re: ODP Proposed Rates

To Whom It May Concern,

On behalf of the Pennsylvania Homecare Association (PHA) and the more than 700 home-based care providers we represent, I am writing to provide comments on the proposed Office of Developmental Programs (ODP) Fee Schedule Rates for services funded through the Consolidated, Community Living, Adult Autism and P/FDS Waivers, as well as the base-funded program (fee schedules referenced in [ODP Announcement 24-039](#)). We commend the Office of Developmental Programs for their recognition of the critical need to support the direct care workforce through adequate reimbursement to providers. By prioritizing workforce considerations in rate setting methodologies, ODP has provided a strong foundation for driving high quality of care, enhancing recipients' ability to remain in their homes and communities.

However, we would like to point out the disparity in rate setting methodologies between the Office of Developmental Programs and the Office of Long-Term Living's Home and Community Based Service programs with a reimbursement rate difference of more than \$15/hour between the two Department programs for personal care workers and more than \$10/hour for nurses. In failing to regularly and adequately fund its programs, the Office of Long-Term Living has disadvantaged Pennsylvania's seniors and those living with physical disabilities, exacerbating an already dire workforce crisis.

The methodology described for setting the rates outlined in ODP Announcement 24-039 has been in place for many years. It involves an ongoing market-based approach, with a thorough review of various independent data sources. This type of review is commendable, and a similar approach must be implored when assessing OLTL rates to ensure equity in service provision across patient populations. Furthermore, ODP reviews rates at a frequency of no less than every 3 years. Comparatively, the last rate study conducted by the OLTL is now more than a decade old.

Rate Disparities Disadvantage Seniors and Those Living with Physical Disabilities:

- **Challenged Recruitment and Retention:** The high rates proposed under the ODP are likely to attract and retain high-quality caregivers, which is crucial for maintaining service standards. However, the lower rates under OLTL have resulted in challenges in sustaining an adequate workforce, leading to gaps in service availability and quality. This discrepancy creates an uneven playing field, where services for individuals with autism and intellectual disabilities are better funded and more accessible than those for seniors and individuals with physical disabilities.
- **Diminished Access to Care and Service Quality:** The significance of the full spectrum of home-based care services and the populations they serve in the broader context of Pennsylvania's care continuum must be acknowledged. The future of home-based care is not just a priority; it is a lifeline for countless Pennsylvanians of all ages who rely on medical assistance services to maintain their independence, dignity, and quality of life.

The Direct Care Workforce accounts for nearly 300,000 jobs in Pennsylvania. 130,000 recipients within OLTL and 50,000 recipients within ODP receive services from this critical workforce.

Despite the larger volume of recipients impacted in the Office of Long-Term Living programs, the reimbursement rate compared to similar Pennsylvania programs is significantly less, widening the gap in service quality and threatening the delivery of care.

Personal Care Rate Comparison by PA Program

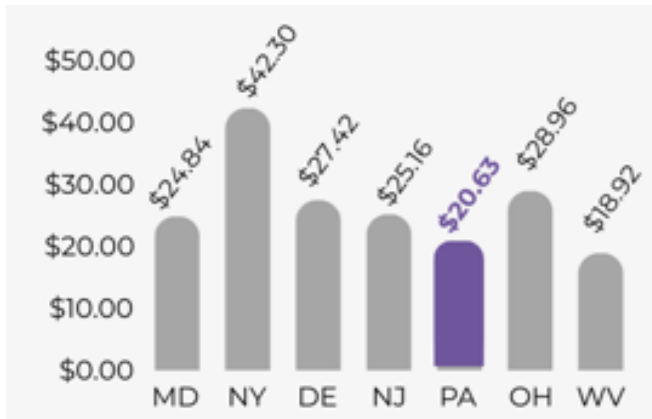


Nursing Rates Comparison by PA Program

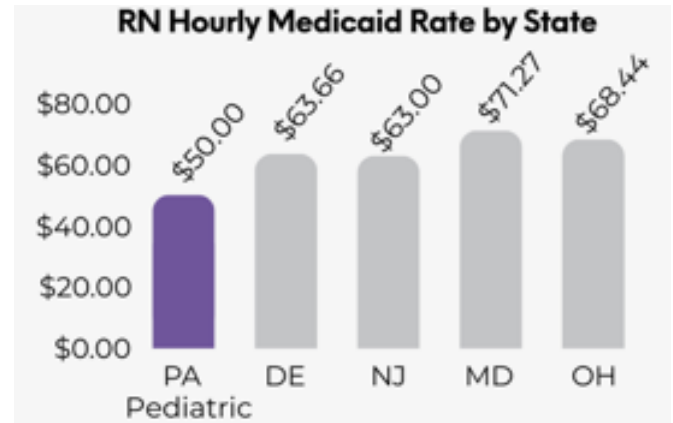
Population	OMAP	OLTL	ODP
	Pediatric	Aging and Physical Disability	Intellectual and Developmental Disability
RN	\$ 50.00	\$ 66.20	\$ 76.28
LPN	\$ 50.00	\$ 44.08	\$ 55.08

- **Rates Lag Behind Contiguous States**, Exacerbating Workforce Crisis: In Pennsylvania, the average Medicaid fee-for-service (FFS) reimbursement rate for personal assistance services (PAS) under OLTL 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, it is especially notable that Ohio recently increased rates while ranking below Pennsylvania in average cost of living. Given the vast differences across state lines, we often see workers crossing the border into neighboring states to receive more favorable compensation for the same work.

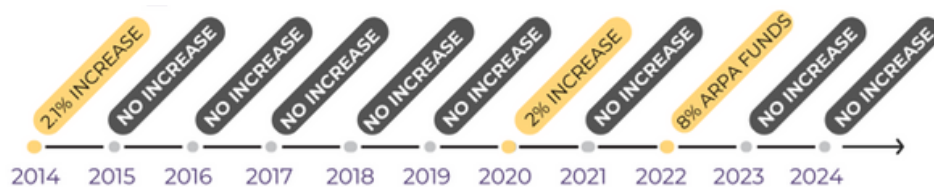
Personal Care Medicaid Rates by State



RN Hourly Medicaid Rate by State



- **Increasing Business Costs and Inflation:** OLTL reimbursement rates have not kept pace with historic inflation, which increased over 30% in the past decade alone. The cost of doing business has also increased substantially during the same time frame due to the COVID-19 public health emergency, CMS mandated Electronic Visit Verification implementation, increased costs of background checks and related onboarding expenses, and Managed Care requirements.



We are aware that healthcare providers across the continuum are in dire need of increased funding, and we fully support those requests. Now is the time for all of us to come together and support the full healthcare continuum, which includes home-based care providers and the direct care workforce they employ who work tirelessly day in and day out to provide life-critical services to Pennsylvania’s vulnerable residents.

Thank you for the opportunity to submit commentary on ODP’s Rates and Rate-Setting Methodology. Please feel free to contact me via email at MHaney@pahomecare.org if you have any questions or if we can provide you with additional information to support this feedback.

Sincerely,

Mia Haney

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