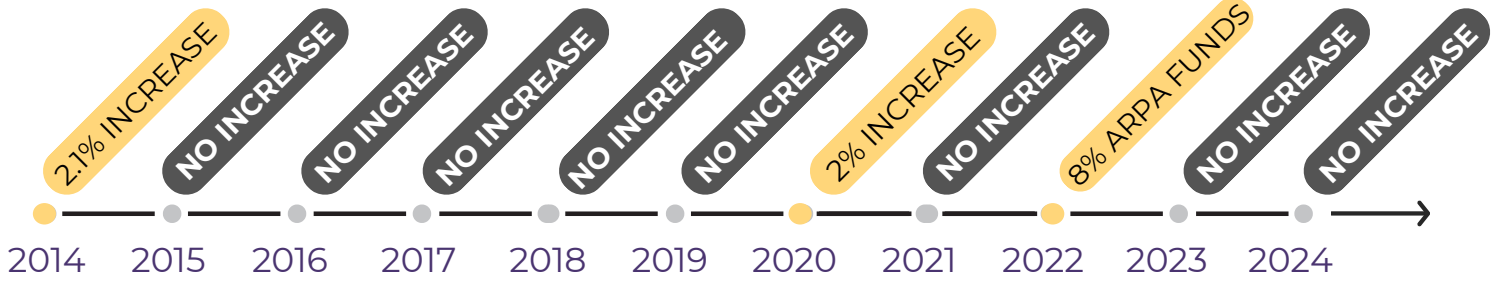




# Support Rate Increases for Direct Care Workers



## BACKGROUND

The need for in-home personal assistance services has surged in recent years. Aging adults and adults with disabilities prefer to be cared for in the comfort of their homes, where they experience better health outcomes. Notably, home care is also cost-effective, with institutional care costing 117% more.

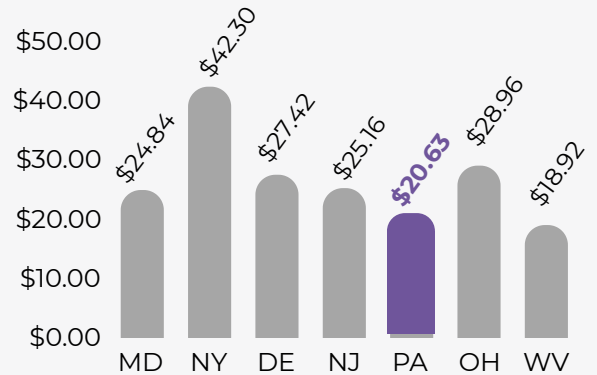
PA faces a significant workforce shortage, ranking fifth in the nation for the need for Direct Care Workers (DCWs). By 2035, the state is projected to require 65,370 more DCWs. This shortage has critical implications for access to care and quality of care across the Commonwealth, particularly for the more than 130,000 Medicaid home care recipients currently relying on these services.

## OUR POSITION

- Pennsylvania Direct Care Workers (DCWs) earn \$13.94/hour<sup>1</sup>. However, employer taxes and regulatory mandates consume reimbursement, hindering:
  - Fair DCW compensation commensurate with the important work they perform
  - Sufficient investment in quality and innovation
- Reimbursement rates have not kept pace with inflation and increased cost of care.
- Pennsylvania's critical underfunding of this program exacerbates the workforce crisis in comparison to neighboring states:

## CALL TO ACTION

- **Support a 10% increase** for Personal Assistance Services in the Office of Long Term Living (OLTL) programs; a \$212M annual impact in state funding.
- Support language that requires the Office of Long-Term Living to **review rates at least every three years** consistent with other PA programs.



- PA has varying Medicaid program rates due to disparities in rate review and study practices. Consequently, OLTL programs are left significantly underfunded.



	Current Rate	Proposed Rate
Region 1 (Pitt)	\$ 19.32	\$ 21.25
Region 2	\$ 21.48	\$ 23.63
Region 3	\$ 20.20	\$ 22.22
Region 4 (Phila)	\$ 21.52	\$ 23.67

<sup>1</sup> [https://www.bls.gov/oes/current/oes\\_pa.htm#39-0000](https://www.bls.gov/oes/current/oes_pa.htm#39-0000)