

### Pennsylvania Homecare Association

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## FOR IMMEDIATE RELEASE

# Shapiro Administration Study Confirms: Home Care Crisis Requires Critical Investments in State Dollars

This week, the <u>Pennsylvania Homecare Association led a coalition of groups to urge the Governor to release this study</u>

Gov. Shapiro largely ignored necessary investments in annual budget proposal; PHA 'genuinely and gravely concerned'

PHA has publicly and privately urged Gov. Shapiro and legislative leaders to address worsening crisis

400,000 Pennsylvanians rely on in-home care, but more than 112,500 home care shifts go unfilled every month primarily due to staff shortages.

Pennsylvania's average reimbursement rate for in-home care is only \$20.63; all neighboring states (DE, MD, NJ, NY, OH, and WV) pay 25-75% more.

Lemoyne, Pa. (February 19, 2025) – Today, the Pennsylvania Homecare Association (PHA) released a statement following the release of the Shapiro Administration's study of reimbursement rates for homeand community-based service (HCBS), including Personal Assistance Services (PAS). The study overwhelmingly validates what advocates have been cautioning for years: Stagnant rates over more than a decade have resulted in a need for significant investment in programs to protect the health and safety of 400,000+ Pennsylvanians. The study specifically calls for a 23% increase for Personal Assistance Services within the Office of Long-Term Living to support direct care worker wages and cost of care oversight and delivery.

"This rate study reaffirms what we have said all along: Pennsylvania has no choice but to make major investments in the state budget to increase reimbursement rates for direct care workers and protect access to critical home care services for Pennsylvania's aging and disabled populations," said Mia Haney, Pennsylvania Homecare Association CEO. "The study results speak for themselves. Pennsylvania falls short in supporting its aging population on a national level as well as in comparable programs within our own state borders. In the last decade, reimbursement rates increased by only \$1.91/hour, with direct care worker wages increased more than \$4.50/hour in the same time frame. Providers have stretched funds as far as they can go. Lack of action to increase rates will jeopardize quality of care for our residents, risk health and safety of our friends and neighbors, and further limit the compensation that can be paid to more than 200,000 direct care workers across the state."

# **Background:**

After Governor Shapiro largely ignored Pennsylvania's worsening crisis of access to home care in his recent budget proposal, PHA CEO Mia Haney released a statement on the glaring and alarming omission. "PHA members across the state are genuinely and gravely concerned. An increase that completely ignores 94% of the workforce fails to acknowledge the crisis our members experience every day. The governor's proposed budget does not begin to address the workforce crisis, ultimately making care delivery both unsustainable and unsafe."

Before Governor Shapiro's budget address, PHA sent an open letter to Governor Shapiro, President Pro Tempore Ward, Speaker McClinton, Leader Pittman, Leader Bradford, Leader Costa, Leader Topper, and Appropriations Committee Chairs urging them to address the worsening crisis of access to home care for seniors and medically fragile children in this year's budget. In the letter, Haney said: "The solution to this crisis is clear, though not easy: in this year's budget, Pennsylvania must raise reimbursement rates for home care."

Today, more than 400,000 seniors and medically fragile Pennsylvanians rely on home care, but caregivers and nurses are rapidly departing the industry to work in surrounding states or alternate settings that pay more competitive wages. This leaves more and more Pennsylvanians without access to the life-sustaining care they desperately need. The reason for this exodus of workers is simple: Pennsylvania's average reimbursement rate for these services is inadequate to support the cost of care.

Pennsylvania direct care workers, most often women and women of color, specifically, can earn at least 25% more – and in some cases, as much as 75% more – for doing the exact same work simply by crossing the Pennsylvania border – in any direction. Alternatively, a position in Pennsylvania at a gas station or fast-food restaurant often pays \$5.00+ more per hour.

As a result, more than 112,500 home care shifts go unfilled every month in Pennsylvania, with staff shortages as the primary culprit. Care recipients across the commonwealth are often forced to go without essential services. In some cases, the lack of care leads to preventable hospitalizations or nursing facility admissions—costly outcomes for both care recipients and taxpayers.

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## **About the Pennsylvania Homecare Association**

The Pennsylvania Homecare Association is a statewide membership organization of more than 700 homecare, home health, and hospice providers. PHA members provide quality care and serve as advocates for their patients and clients on a variety of healthcare-related issues. PHA and its members work to improve professional standards and ensure access to quality home care throughout the Commonwealth. For more information about PHA and its initiatives, visit <a href="http://www.pahomecare.org">http://www.pahomecare.org</a>. For media inquiries, please contact <a href="media@pahomecare.org">media@pahomecare.org</a>.