

RCPA Statement Regarding Governor Wolf's 2021 Budget Address

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Harrisburg, PA – Today, Governor Tom Wolf delivered his 2021 Budget Address. The Governor's address focused primarily on an unequal and underfunded education system and the hardships many Pennsylvanians are facing due to the pandemic.

Importantly, the Governor outlined increasing the Commonwealth's personal income tax (PIT) and minimum wage. While the Rehabilitation and Community Providers Association (RCPA) applauds the Governor for raising these issues, there are additional considerations. We support additional tax revenue for drug and alcohol, mental health, and other health and human services issues. According to Dr. Richard Edley, RCPA President/CEO, "County mental health funding was cut by 10% in 2012 and has not received any increases since. Drug and alcohol providers have seen a surge in abuse and overdose deaths during the pandemic and they are struggling to cover their costs to provide these necessary services. Our other human service providers are also struggling to maintain services due to a shift from facility-based, in person services to virtual care."

Additionally, Governor Wolf's 2021/22 budget proposal includes an increase to the Commonwealth's minimum wage. The governor's plan would raise the minimum wage to \$12 per hour from the current wage rate of \$7.25 per hour, and then establish a path for the minimum wage to increase to \$15 per hour. "While RCPA is 100% supportive of an increase to the minimum wage, because it's an economic investment in staffing and it improves recruitment and retention efforts, some possible unintended consequences must be addressed," said Edley.

RCPA members are mostly publicly funded companies. Accordingly, these health and human service providers cannot simply increase pricing to consumers to cover the additional costs that an increase in the minimum wage would bring. While raising the minimum wage is an important public policy, RCPA is eager to work with the Governor's office to ensure this would take place only with corresponding rate increases from the Commonwealth to the providers of these critical services.

RCPA looks forward to partnering with the Governor and members of the General Assembly during the 2021/22 budget process. We encourage the Governor and the General Assembly to utilize RCPA and its members' expertise when considering weighty issues such as overall health and human service rate reimbursements, legalizing recreational marijuana, overall funding, and other policy issues within the human service field.

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With more than 350 members serving well over 1 million Pennsylvanians annually, [RCPA](#) is among the largest and most diverse state health and human services trade associations in the nation. RCPA members offer mental health, drug and alcohol, intellectual and developmental disabilities, medical rehabilitation, brain injury, and other related human services for both children and adults across all settings. A statewide organization, RCPA advocates for those in need, works to advance effective state and federal public policies, and provides professional support to members.