



Pennsylvania Advocates and Resources
for Autism and Intellectual Disabilities



September 20, 2024

The Honorable Josh Shapiro
Governor of the Commonwealth of Pennsylvania
Room 225 Main Capitol Building
Harrisburg, PA 17120

Dear Governor Shapiro:

We thank you for recognizing and addressing the tremendous strain on individuals, families and service providers across the intellectual disability and autism (ID/A) community through your decisive leadership and action. Your proposed budget for the current fiscal year represented a historic investment coupled with the ambitious goals of the Commonwealth's multi-year growth strategy to address many longstanding issues affecting the ID/A community.

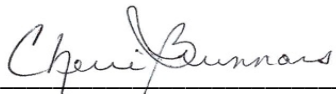
We write to you again this year to request your consideration to restore the \$93 million reduction to your proposed budget lost during final budget negotiations this year, and to include this amount of \$93 million state dollars in your proposed Executive Budget Proposal for State Fiscal Year (SFY) 2025-26. As you know the originally proposed investment was based on the independent review of fee schedule rates that you ordered on September 9, 2023. The resulting actuarial analysis recommended increased reimbursement rates for all ID/A services, which were later published as proposed fee schedule rates in the Pennsylvania Bulletin on April 20, 2024. As you also know these rates were subsequently reduced to address the \$93 million shortfall in the final enacted budget for SFY 2024-25. This adversely affected not only fee schedule rates but also the provider incentives that had been published to address quality and capacity for the most complex people served by our community system.

The restoration of these funds is urgently needed to address remaining unmet critical needs and to permit our provider system to build the workforce and capacity that are essential to the reliability and sustainability of our community system. This investment will also support the specific targets and measures identified in the state's multi-year growth strategy for the ID/A community. \$93 million in state funds will generate an additional \$113 million in federal dollars at Pennsylvania's current Federal Medical Assistance Percentage (FMAP), resulting in \$206 million in total community ID/A funding. This will restore the originally proposed investment in Direct Support Professional wages and enable the increased waiver capacity needed to address the ID/A waiting list. We also ask for your continued commitment to eliminate the emergency waiting list for adults by retaining an equivalent number of new individual waivers in the budget for SFY 2025-26.

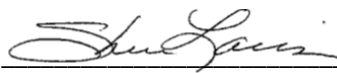
Looking beyond the upcoming state fiscal year, we support the recent change in rate-setting methodology published in the Pennsylvania Bulletin on August 31 indicating that fees be established “by applying an inflationary adjustment factor” and hope this will lead to more regular fee schedule adjustments based on inflation. No system of care can plan effectively or achieve sustainability without a reliable and predictable rate-setting methodology. Annual adjustments cost no more in the long run, arguably cost less, and reduce the damage to lives and the erosion of needed services that occur during extended periods of static reimbursement. Individuals with ID/A, their families, and the providers who support them cannot withstand the disruptions that inevitably result from reimbursement rates that lag behind the actual costs of providing safe and effective services. Underfunding at any point in time undermines confidence in our system, and more importantly, reduces and sometimes eliminates the services people need and are entitled to receive. Bold changes are needed in the way we reflect economic growth in our service rates and will produce lasting long-term results.

Thank you for your consideration and we look forward to your response. We would welcome the opportunity to meet with you to further discuss these issues should you have any questions or need any further information at this time.

Sincerely,



Cherie Brummans
Executive Director
The Alliance CSP



Sherri Landis
Executive Director
The Arc of Pennsylvania



Diane Conway
CEO
MAX Association



Mark Davis
President & CEO
PAR



Patrick DeMico
Executive Director
The Provider Alliance



Richard S. Edley, Ph.D.
President and CEO
RCPA

cc: The Honorable Valerie Arkoosh, Secretary, Department of Human Services
The Honorable Akbar Hossain, Secretary of Policy and Planning
The Honorable Uri Monson, Secretary of the Budget
Dana Fritz, Chief of Staff
Lindsey Mauldin, Deputy Chief of Staff
Kristin Ahrens, Deputy Secretary, Office of Developmental Programs