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Untitled Note

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SPEAKERS

Gloria Gilligan, Sen. Jarrett Coleman (R-Lehigh), Sen. Rosemary Brown (R-Lackawanna), Sec. Valerie Arkoosh, Sen. Arthur Haywood (D-Montgomery), Sen. Elder Vogel (R-Beaver), Sally Kozak, Sen. Amanda Cappelletti (D-Montgomery), Sen. Judy Schwank (D-Berks), Sen. Lynda Culver (R-Northumberland), Sen. Sharif Street (D- Philadelphia), Sen. Jay Costa (D-Allegheny), Chairman Scott Martin (R-Lancaster), Sen. Greg Rothman (R-Cumberland), Sen. Tracy Pennycuick (R-Berks)

Chairman Scott Martin (R-Lancaster) 00:00

Of the Senate Appropriations Committee hearing on Governor Shapiro, 2025, 2026, budget with the Department of Human Services. Right now we will pick up where we left off. And we're at five minutes apiece. We will start with Senator Culver, followed by Senator cappelletti

Sen. Lynda Culver (R-Northumberland) 00:30

thank you, Mr. Chairman, thank you for being here today or for the afternoon round. Just wanted to talk about some mental health with our counties the governor's proposed budget for 25-26 has a proposal, once again, for \$100 million allocation for physical safety and mental health funding for public schools, or Pennsylvania schools, which we applaud, but at the same time, the budget only proposes to increase the county Mental health based funding by 20 million for the third fiscal year in a row. And I'm sure, as you know, they are in a crisis. And one of the things I keep hearing from our commissioners, and I have five counties that the allocation to the counties doesn't truly address the mental health crisis that they're facing, and the money that's going to the schools, is addressing the students while they're in the school, but oftentimes the county is servicing the student outside of school and the family. So the system, the county system, remains underfunded, and counties continue to stretch what we consider inadequate funding levels with requests that per services that just keep rising. Do you believe the \$20 million increase for the county mental health system is enough to restore the system?

Sec. Valerie Arkoosh 01:50

Well, Senator, thank you for that question. You know, I've talked about this many times, and you even as a county commissioner, I came to Harrisburg to talk about this very issue, so I appreciate your bringing it

up. You know, first, I do want to applaud the Governor. When he first arrived, he made a commitment to increasing county based funding by \$60 million over four years, and he is understanding the need. He has accelerated that commitment to get it done in three so I do just want to acknowledge that he is showing by his proposed budget that he is hearing the counties and working hard to meet their needs. As you know, the county mental health based funding is the most flexible dollars that a county has, and they can use it to provide services for people who are uninsured or under insured, and they can be used for housing all sorts of needs to help stabilize individuals with a serious mental illness. You know, I think that the hope has been that the school districts, and we know we have many across our commonwealth, would be encouraged to work very closely with their county governments and to think holistically about how the spend of these dollars is approached. You know, there's nothing that prevents a school district from working collaboratively with their county office of mental health services to come up with a plan.

Sen. Lynda Culver (R-Northumberland) 03:14

It's just every penny that's going to the school district is being used. I don't know that there's the potential to share it, and I think they try to coordinate services, but I think we have a county system that's been chronically underfunded for at least three years long time. How do they I mean, not only are they struggling to get workers, they're struggling to provide services all at the same time. Like, how if we're not funding them appropriately, how do we expect them to do the job that they need to do?

Sec. Valerie Arkoosh 03:39

Yeah, I mean, I think, you know, and we've talked about this, that county based funds had been increased since 2008 2009 and then we're actually decreased. And I think it was 2010 2011 until Governor Shapiro got here. So we are always happy to talk about that funding and the best way to distribute that funding.

Sen. Lynda Culver (R-Northumberland) 04:00

Okay so the other issue I think the counties are facing there. I guess the department worked alongside stakeholders to evaluate a growing concern of lack of placements for youth with complex needs. And I guess it was thought that we would create, maybe what we're calling a blueprint solution. Can you talk about any progress that has been made to implement solutions for children? They're having difficulty finding placement for

Sec. Valerie Arkoosh 04:29

Absolutely. This has been something that has been a priority for me since I got here, having dealt with it as a commissioner, and we now have a team in my office, the leader of whom is part of my executive team who focuses on this issue entirely, we have been working to create a whole continuum of care in our schools, to go back to the school piece with making sure that the student assistance program is in place, that the School Based Access program is growing across our Commonwealth, and that we're

seeing more and more school based health centers, which we're very supportive of, but taking a bigger step back, because many of these children that you're talking about aren't necessarily in the school system in a traditional way. We have invested a lot of effort with statewide convening with all sorts of experts on this to come up with this blueprint plan. There are multiple strategies which we are now working to implement. And one of the most important ones is the pediatric Capacity Building Institute we held. The first one a year ago. There were 30 some individuals that participated, building relationships across counties and learning from each other. The second one is kicking off next week. There are over 50 people that signed up to participate this year, so we're growing the expertise and the relationships across county lines, so that counties can come together and work together on some of these cases. We have been able to help in the last year about 250 kids working directly with counties, with hospitals that have a youth maybe in their emergency department, we're very aware of how difficult these situations are, and there is nothing cookie cutter about them. Each one tends to be somewhat unique in terms of the needs of the individual youth. And so it is taking literally, you know, one by one by one, we go through and work the issue. So we are hard at work. We have made some progress. There is a whole set of deliverables or recommendations in this work group plan that we're working to implement. It will take some time, but it's all about increasing education, increasing relationships, getting more collaboration and coordination from the very beginning, so the kids don't get to such a severe place as being sent to an emergency room, which is usually when we get called. We're trying to get called here instead of here, so

Sen. Lynda Culver (R-Northumberland) 06:58

we're out of time. I mean, I have to say I have kids being placed three states away from here, and it's difficult to visit family and but thank you for working on this, and I would love to hear some more progress about that. Thank you, Mr. Chairman,

Sec. Valerie Arkoosh 07:09

Yeah, happy to talk further about it.

Chairman Scott Martin (R-Lancaster) 07:10

Thank you. Just a point of clarification for a little historical perspective. So back in my county commissioner days, we worked very closely in creating the human service development block grant fund, and we were one of the six pilot counties in Lancaster County, along with others that agreed and breaking down all the silos of mental health. And we all agreed to take a 10% reduction for unprecedented flexibility. We jumped in that. We took it. We served the same number of people as we did the year before with 10% less funding. And then within two years after that, every single county in the Commonwealth opted into the same program. I just say that for perspective, because often when I hear people say that they got cut back, then they voluntarily entered into the block grant agreement. I was part of that. So the other portion I would just add to the conversation related between the schools, I actually fall in the camp of a little bit of having worry about us building a whole new behavioral health

infrastructure with schools. One we know that the 100 million dollars that they received was actually federal American Rescue Plan Act, ARPA, dollars, and that federal ARPA dollars was one time money. So when I would see investments in school behavioral health personnel using one time money, that causes me concern. Secondly, I've heard from many folks in the behavioral health industry that it's one thing to build a partnership. We get the counties and their case workers more actively involved within the school district, taking that wheel and overlapping instead of creating a new wheel that ends up costing taxpayers more, but also, does the child need multiple case workers? That's the other ideal. So just one that, and especially as that ARPA money is now gone, there continues to be a discussion about mental health related stuff in schools that I think we need to build a bigger bridge between the counties and the school districts, because I really don't think it makes sense to have in house behavioral health professionals in our school district, especially when counties have are really that the hub of the wheel.

Sec. Valerie Arkoosh 09:13

They are and they have the comprehensive set of resources. And, you know, not to put too fine a point on it, but schools out in the summer. And I think this is something we've always all worried about, and so I hate to see competing systems, which is on a very tight workforce already, so I think we're probably pretty aligned here in terms of it would be great if we could find a one comprehensive way build that bridge from both sides.

Chairman Scott Martin (R-Lancaster) 09:37

I'd love to hear it. So thank you. Okay, we'll move over to Senator Cappelletti, followed by Senator Pennycuik.

Sen. Amanda Cappelletti (D-Montgomery) 09:45

Thank you, Mr. Chair. Dr Arkoosh, good to see you this afternoon. I want to circle back to maternal health stuff. As you know, it's really a passion of mine, being one of the co chairs, as I mentioned before, of the Women's Health caucus, I'm particularly proud of the work that the Shapiro administration has done to prioritize state funding for evidence based high quality health care access for all Pennsylvanians, and in particular, the women's service grant program is one of my favorite examples of this work. Could you describe the work that the program is funding and share that any of the outcomes that you have collected that show the impact of this investment.

Sec. Valerie Arkoosh 10:22

Sure. Thank you for the opportunity to talk about this. We're really excited about this work and how we've been able to see already some pretty early success. So as you know, we issued an RFA for six regions in the Commonwealth so that there would be a regional lead doing this work. So we have folks you know, close to the counties, that really know those counties, leading the work. And the result of that was, I believe we have four agencies that cover those six counties, four entities for community

based groups that cover those areas. And we have \$7.6 million for the women's services program. And then the Department of Health has 660,000 I don't know if they got a chance to talk about it when they were here, but they had just launched the first pilot program in Clinton County, I believe, to connect women that are pregnant with prenatal and postnatal services locally, while they may have to travel a distance to actually have their delivery, but at least a pregnant person can get some of that early and post work done close to home. So we're very excited about that. In terms of the funds that are on our side of the program, I have some highlights from 2024 menstrual supplies have been distributed to 10,159 clients. Diapers were distributed to 6428 clients to 22,453 sexually transmitted infection tests were performed. 4432 pregnancy tests, 18,516 screenings were conducted for substance abuse, chronic disease and wellness measures. Care. Navigation was provided to 3963 clients. Education was provided to 1789 clients on pregnancy, childbirth, parenting, lactation, sexually transmitted infections, and that was through either workshops or one on one consultations in one region where the maternity care coalition is the lead agency. They've used this funding to expand their doula and lactation community health worker training program, and they have trained 72 new community health workers, and then that grantee also matched 776 clients to doulas and provided 871 doula home visits. Doulas provided support for 252 births. So we're off to a great start. We really are grateful for this funding, and we hope to be able to continue this work

Sen. Amanda Cappelletti (D-Montgomery) 13:04

that is absolutely incredible. As somebody who knows the expense of diapers today, to hear how much you're giving out and the support that we're providing to to families and people who are expanding their families is truly, truly wonderful. I want to circle back to child care. I know my colleague from Berks County asked a bit about that. You know, like many of my constituents and I think many people here, we want to see access to reliable child care be the norm in communities all across Pennsylvania, because that allows parents flexibility to participate in the workforce, while setting young Pennsylvanians up for success. For those who don't know, investing in childcare, we do see a huge return when children are in high quality care, on educational outcomes, on job outcomes later in life, it is an upfront cost that I think bears significant reward in the end, outside of it also just being, for me, a moral imperative for us to take care of the children in this way. In this year's budget proposal, Governor Shapiro included \$55 million investment for child care, recruitment and retention grants. And as the chair of the Women's Health Care caucus, we've joined together in asking that we increase that investment to 284 million. I know our budget has limits. I get that. I very much understand that. But I'm just wondering, you know, even at 55 million, it is a bold investment into this program. Can you talk about what that would mean to working families in Pennsylvania?

Sec. Valerie Arkoosh 14:39

Sure. So as we talked about that \$55 million is intended, in this first year, to be used for \$1,000 bonuses to teachers and teaching assistants that work for providers who are in our child care Works program and then, and we believe that that will be, or that will require about 40 to \$45 million of that 55 million, and then the remainder could be used for recruiting new teachers to allow some of these child care providers, many of them who still have closed classrooms, to get those classrooms open. And so that

would enable more parents to be able to have access to child care release some of these wait lists and things that we talked about earlier today, you will see that that \$55 million is in the out years in the governor's proposed budget, and how that how those dollars could be used in the future years, is something that you can obviously, we can continue to talk about, but at least in this first year, I think the goal is to really acknowledge this workforce, which has been under the gun for this whole time since COVID, and help those teachers know how deeply they're appreciated by folks here in the Commonwealth.

Sen. Amanda Cappelletti (D-Montgomery) 15:52

Thank you, Dr arkoosh, they are greatly appreciated by individuals like me who are entrusting the little love of my life in their hands to teach her how to say please and thank you, and do all of those things. So I am all for supporting our child care workers. It's an economic and a positive investment for all of us in many different ways.

Sen. Tracy Pennycuick (R-Berks) 16:13

Senator Pennycuick, followed by Senator Street. Thank you, Mister Chair. I also am very concerned about maternal health and providing high quality health care. And I know that you recently announced that Medicaid would be providing doulas during child care, or, excuse me, during child birth. How much can a doula be compensated for Medicaid per child birth per year? So it's broken down into a couple of different buckets. There is a per visit charge that they can be compensated for, and then there's a separate fee that they can be compensated for, for attending the delivery. And so what would that total be?

Sec. Valerie Arkoosh 16:59

Yes. So if a doula maximize their both antenatal and postpartum visits, and we talked about how important postpartum is earlier this morning and the delivery, the total would be \$2,400

Sen. Tracy Pennycuick (R-Berks) 17:11

2400 and how much does a physician paid by Medicaid for a routine delivery? How much does he make?

Sec. Valerie Arkoosh 17:19

It's very hard to know, because we pay a hospital a bundled payment for deliveries, so it doesn't

Sen. Tracy Pennycuick (R-Berks) 17:26

What would ballpark be?

Sec. Valerie Arkoosh 17:32

\$8700

Sen. Tracy Pennycuick (R-Berks) 17:34

and that's going to the hospital or goes to the doctor

Sec. Valerie Arkoosh 17:36

that goes to the hospital. Yeah, and there's a

Sen. Tracy Pennycuick (R-Berks) 17:38

Can we break out what the doctors get in there?

Sec. Valerie Arkoosh 17:39

There are separate physician fees, but those are all negotiated. Yeah, those are all negotiated. Okay, so I don't have a simple answer to that.

Sen. Tracy Pennycuick (R-Berks) 17:50

Okay, um, what type of medical training do the doulas go through?

Sec. Valerie Arkoosh 17:55

So there's a doula certification. There's a Pennsylvania doula board, and they have established a certification process, I can get you the specifics of what exactly is in that if you'd like

Sen. Tracy Pennycuick (R-Berks) 18:06

I guess, my question is, we are paying \$2,400 if they take the whole package. And as you said earlier, 53% of maternal deaths are post partum. My concern is this, doula is not medically trained to recognize postpartum depression, postpartum psychosis, and I don't want these Medicaid moms to feel like, well, I have a doula, so I don't need that medical intervention and that doctor's visit. I've always been a proponent for Hey, you go back at six weeks with your baby and you Oh, what a cute baby, but mom

never really gets that once over at maybe six weeks and again at 12 weeks. And I think we're creating a system where there's this almost false sense of security with a doula who is not trained to recognize medical issues after birth.

Sec. Valerie Arkoosh 19:01

So let me clarify what the role of the doula is. The role of the doula is there to be a support person to that pregnant person and to answer questions, provide education. They get a lot of education about the whole process of pregnancy, the expected changes through pregnancy. They do get education on postpartum depression and the signs of postpartum depression. They are there to help accompany a woman to her doctor's visit, for instance, and help make sure that all of her questions are answered. Just be a support person for the pregnant person. And what we see, yes, that's fine, whatever language you want to use what we see is that postpartum period in particular, that six week period, is often where moms slip through the cracks, and so they don't see a doctor for six weeks, but they will likely see their doula, maybe that first couple days after that First week, that two week period, and that is where some of these interventions are most needed. Six weeks is actually, in my opinion, too long. I think we should be seeing moms at two weeks. That's there's a lot of data to support that, so they would be trained to recognize symptoms of postpartum depression.

Sen. Tracy Pennycuick (R-Berks) 20:16

When They see a woman who is suffering from severe postpartum depression, what is their step to do? What is their obligation?

Sec. Valerie Arkoosh 20:23

They would work with that woman to get her referred to her doctor, to call her obstetrician, for instance, and help her get her to seek care.

Sen. Tracy Pennycuick (R-Berks) 20:32

And what if she says no?

Sec. Valerie Arkoosh 20:35

Well, I mean, like anybody who says no to advice to seek care, a doula would not be able to force her to seek care. She could encourage her to call 988, for instance, or reach out to a mobile crisis in her community. But like any of us, if a person says, No, I don't want help, there's very little that can be done.

Sen. Tracy Pennycuick (R-Berks) 20:56

Is there any clinical evidence that shows that having doulas improves the maternal health of the mother and the child.

Sec. Valerie Arkoosh 21:05

It does, yeah, there is. That's why we're supporting the program.

Sen. Tracy Pennyquick (R-Berks) 21:08

I would love to see that data. And I know my time is up. Thank you.

Chairman Scott Martin (R-Lancaster) 21:13

Up next senator Street, followed by Senator Brown.

Sen. Sharif Street (D- Philadelphia) 21:17

Thank you, Mr. Chair. Good afternoon, Madam Secretary. Look, there are a number of challenges and opportunities related to home health care services those programs. One, I applaud the expansion of them because they have they keep people in their homes where most people want to be, and they tend to reduce the cost. One of the other benefits are, we've seen a rise in small business people who have engaged in those businesses, particularly women owned and people of color businesses. But now some of the MCOs are looking to reduce the number of providers in their network, and that seems to be disproportionately affecting small, disadvantaged, minority and women owned businesses. Can you talk about anything the department could do to sort of help in that space?

Sec. Valerie Arkoosh 22:09

Yeah, I know this has actually been kind of a long standing challenge in certain parts of the state, mostly in the southeast, where there have been a lot of new providers who have come into the marketplace and have sought to enroll with one of the three managed care organizations that currently exist. Our managed care organizations in the community health choices program are not required to take any willing provider. They are required to provide network adequacy. And once they meet the network adequacy requirement, then they are able to say, No, thank you. We don't need to bring in any more providers. You know. I mean, there is, I'm sure you understand, on the MCO side, there's administrative work and all sorts of things. You know, for every new provider group they bring in. So I know it has been frustrating for individuals in the southeast. In particular. I will say that the CHC program underwent its very first re procurement. You know, it is a brand new program, so it's still growing. So we, you know, ask patients as this as this program grows, that procurement concluded, but it is under protest at the moment, so it will be a while before we have the final results of that procurement. But we do anticipate that the program will be will have more MCOs in it now on the other side of the procurement than it

does today. Our intent in the procurement was to have five MCOs rather than the three that we have, and should that come to pass, which I can't presuppose, given the bid protests, but should that come to pass, there will be an opportunity then to build new network adequacy among What are potentially new MCOs in that program.

Sen. Sharif Street (D- Philadelphia) 23:57

Well, thank you, because you're right. It is something that throughout the southeast, we're hearing, and part of it is new people coming in, and part of it is, I think there is some pressure to reduce administrative costs. And there were a lot of providers that predated CHC and were providing services directly to the Commonwealth. And the Commonwealth didn't, you know, as long as you were an eligible provider, they allowed you to they allowed you to the network. So there were already a lot of providers, and there's, and I think there is an intentional sort of constriction that is creating some considerable angst. But the idea there'll be a couple new ones is good news.

Sec. Valerie Arkoosh 24:34

It would be, I think, for these folks,

Sen. Sharif Street (D- Philadelphia) 24:35

absolutely. So another question, Can you discuss the department's role in funding drug and alcohol recovery services a long term stay, particularly as it relates to a sort of long term stay, a lot of people are suggesting that folks merely going in and getting detoxed and being released isn't enough, and they need more extended stay. Can you discuss any of the department's efforts in that regard?

Sec. Valerie Arkoosh 24:59

Sure. So there for individuals that go into and I really don't like this name, but this is what the name, the official name is, institutes of mental disease IMDs, which are free standing entities, not like something that's located within a hospital, right? So if an individual is admitted to an IMD, Medicaid covers a two week stay for either a mental health treatment or substance use disorder treatment. However, for substance use disorder, we do have a small waiver through CMS that allows that stay to extend beyond two weeks as long as it's documented to be medically necessary for that individual. So we are not able to do that on the mental health side, but on the substance use disorder side, there's absolutely a very clear path for an individual to stay longer than two weeks if that's what they need. And I should say, if it's medically necessary. I should be clear on that.

Sen. Sharif Street (D- Philadelphia) 26:02

Medically necessary, would that have to be sort of only beyond the point of physical addiction? Or we could medically necessary include the mental the the psychological addiction components?

Sec. Valerie Arkoosh 26:15

It can include both. I mean, I think it's fair to say for for instance, some of the recent challenges that we see with individuals who have had fentanyl laced with xylazine, for example, which we know persists in people's systems, sometimes for a couple months. It is quite common that it is medically necessary for them to receive care for longer than two weeks.

Sen. Sharif Street (D- Philadelphia) 26:39

Well, thank you. That's very helpful information. I know my time has run out, but it is. It is an issue that's ongoing, and as the drugs and the complexity of addiction continues, I think we have to be nimble in terms of making sure people are actually recovered, because in the long run, getting people into full sobriety is better and more cost effective than having them run in and out of detox. Thank you,

Chairman Scott Martin (R-Lancaster) 27:09

Senator Brown, followed by Senator Vogel.

Sen. Rosemary Brown (R-Lackwanna) 27:12

Thank you, Mr. Chairman, thank you again. Secretary, as mentioned throughout this hearing, we're talking about the DHS budget and the growth that it's having, usually, on average, is about a billion dollars every year. This budget showing the \$2 billion increase. And you know, as we look at this, it's almost impossible to be able to continue on this path and be sustainable with that type of growth in one agency. But I'm going to focus here on good government. And I often say when we talk about services, that life can happen, and unfortunately, sometimes when life happens, it's extremely difficult. It's devastating for families and for people, and they do need assistance, and that's where the government comes in to help out to lift people up. But many of these programs are not meant to be lived on. They were meant for that approach of lifting people up and helping them during their most difficult times. And then, of course, we have the responsibility for the most vulnerable and the most needy in other fashions and other matters. But in order to be sure that we have enough money to take care of when these situations happen, because many people might go through different things, what are we doing as a department? I haven't seen anything in this budget in regards to identifying fraud or wasteful utilization of dollars, I believe what I found my own was that the Pennsylvania Medicaid Fraud Control Unit 2022 recovered about 34 million in fraudulent cases, and I think there was a little bit there for the SNAP program as well, but to ensure that we have what we need, and maybe to control this growth and use where the money should be used, and what are we doing to identify the fraudulent pieces? Long winded, long winded ask.

Sec. Valerie Arkoosh 29:18

I got a long winded answer for you, so I'm going to talk fast.

Sen. Rosemary Brown (R-Lackwanna) 29:20

I hope it's detailed. Thank you.

Sec. Valerie Arkoosh 29:22

It's very detailed. So we're extremely proud of our work that we do in this area, and we take our responsibility as the largest state agency of the taxpayer dollars that are afforded to us by you very, very seriously. So let me just very quickly tick through a lot of our fraud and waste efforts. So I'm going to start with our Bureau of program integrity and third party liability. This group in 23-24 was able to realize more than \$490.2 million in recoveries and cost avoidance. This is an increase of more than 27 point 4 million over that reported in state fiscal year 2223 it was \$51.8 million in bureau of program integrity recoveries. And then the third party liability cost avoidance is 438 point 5 million. What that is about is that Medicaid must always be the payer of last resort. And so the third party liability group, they really cross check every person with a claim to make sure that there's no other resources that should be billed first. So if the patient has Medicare or some degree of commercial insurance, those are billed before Medicaid. Medicaid is always the last payer in in a payment claim, then we also keep a very close eye on our providers. In 2324 we have terminated for cause 325 providers, and that was reported to save \$33.7 million in 23-24 We also regularly consult something called the Federal do not pay list. The federal government keeps its own list of providers that they recommend no one interact with. We have something called a recipient restriction, where, if a recipient appears to be what we would call or what you might know as doctor shopping, you know, maybe looking to get prescription medications from multiple different doctors. We have the ability to restrict them to seeing one provider, so that they can only get prescriptions and medications, and if any other doctor tries to write a prescription from them, that prescription will be rejected. And that comes from our system, though, doesn't it sort of alert our our drug that is one way to recognize that. But we actually have our own system. I mean, that's a great system that helps the doctors, but we have our own internal system. Yep, we have fully implemented fraud capture, which is uses AI to constantly scan data and kick up to us with alerts data outliers and suggest state safeguards or that we should be investigating something we do a state recovery, which is mandated by federal law, that is an effort to recover Medicaid payments made on behalf of an individual who received long term care Medicaid from the time they turned 55 until they're passing so if they do Have some assets that can be recovered, there's a process for that. We recovered a total of \$65,154,972 in state fiscal year. 23-24

Sen. Rosemary Brown (R-Lackwanna) 32:36

if you could send something to the Appropriations Committee, I think that would be great to recap that. And just one quick, do you have any dollars or line item here in this budget that accounts for any anticipated fraud or collections or anything in this

Sec. Valerie Arkoosh 32:52

you know, no, and where you see it. And I, you know, I should have mentioned one of the biggest things in the way that we do our rates. And again, you have that form in front of you, we I mentioned this earlier today. We do that efficiency payment, and we have been able to reduce growth by about a billion dollars in our Medicaid program and just the fact that all of our MCOs are 100% at risk. You know, once they get their payment, that's it. And many of you I know, got calls from our MCOs during the 24 calendar year because they were not happy with how their profits were going to end in 2024 and the answer was, We're sorry. This is what being fully at risk means. Some years they make some profit, some years they don't. That's and that is, that is probably our biggest cost savings.

Gloria Gilligan 33:45

And if I could add one thing, I'm sorry, Senator, I see that light is red, I'll make it quick, but there has been multiple times a reference to our year over year growth in the Medicaid program being a billion dollars. So I just want to remind folks we had a continuous coverage requirement in place since 2020, to 2023 so enrollment in that program was much higher than it is today. We look like through the unwinding process that we went through in the last fiscal year, I think we're down like 700,000 people in the Medicaid program just on the physical health side,

Chairman Scott Martin (R-Lancaster) 34:18

Senator Vogel, followed by Senator Schwank.

Sen. Elder Vogel (R-Beaver) 34:20

Thank you. Chairman, good afternoon again. Secretary, I want to talk about mental health and mental health services. I guess you put ten million in your budget for this 988, national suicide crisis lifeline. And I want to specifically find out about this. Does this involve the farming community at all? What is this national suicide? Is this a national line that people dial into? It's not specific to Pennsylvania or anything. Then,

Sec. Valerie Arkoosh 34:49

yeah, Senator, I'm glad you asked that's a really understandable question. So 988 is a national line as just as 911 is right. You can go to any state and dial 988 when we first launched the program here in the Commonwealth, it is correct that we didn't have the capacity to answer every phone call from a

Pennsylvanian here in Pennsylvania. But now today, I'm very proud to tell you we have 12 988, call centers in the Commonwealth. Two more are opening, and we are now at the point where we're answering over 90% of the calls from Pennsylvanians here in the Commonwealth. And then those 988, call centers are located all over the state, and they have databases where they find out where the individual is calling from, and they are able to then tap in to give that individual local resources in their communities.

Sen. Elder Vogel (R-Beaver) 35:46

Okay. And one reason I'm going down that road is several years ago, Secretary Redding got a \$500,000 grant to start the agristress helpline here in Pennsylvania, which is specifically for farmers and farm workers. So someone on a national line might not understand the issues that are sure specific farmers going through like a somebody else might not know what a specific issue for a drug addict person is going through. This is specific to farmers and farm laborers and things like that. Is there any way to tie these together somehow, so if they do find out someone is a farming related type situation, yeah, divert that somehow.

Sec. Valerie Arkoosh 36:20

I'll talk to Secretary Redding about that. I'm not sure what the status of that line is. We do have the option to divert to the Veterans Crisis Line already, so I would be happy to check with Secretary Redding and see what the status of that line is, and if we could integrate that, it could already be integrated. I'm not certain, but if it isn't, we'll look into that.

Sen. Elder Vogel (R-Beaver) 36:37

Yeah, I didn't know if he's, you know, but I just this, this agri stress line is very good for farmers. It has a it's available 160 languages. I mean, yeah, for all languages for everybody. And I just use some very farmers are one of the highest suicide rates of groups of people in the country and that. So I just was wondering if that was able to do something. I appreciate you

Sec. Valerie Arkoosh 36:56

Thank you for bringing that up, I can check in and look into that.

Sen. Elder Vogel (R-Beaver) 36:58

Appreciate that very much. And also on your the facilities that you've got closed, like Polk and those few other centers that have closed the last few Can you give us an update on where you are as far as trying to sell those or, you know,

Sec. Valerie Arkoosh 37:09

we have this conversation every year. I need your help. So as I said, you know, DHS is mission is to take care of people, not property, and so once a property is fully closed, and now Polk is just about to be the last person is about to leave. So this isn't quite in that category yet. I think the last person leaves in March, yeah, yeah, this month, the property is, now, will be, is under DGS as jurisdiction. We have to continue to pay all the maintenance costs and provide staffing there. You know, security. If a tree falls on the roof, we have to pay for it at DHS, and we have no ability to impact how quickly DGS disposes or conveys that property to another use. I am a huge proponent of that. It will, it will help the county by getting that property potentially back onto the tax rolls, helps the county, the school district, the local township this i My staff is so tired of me ranting about this. But you know, we're about people, not property, and so if there was a way to get those costs off the DHS budget to DGS so that they can feel our pain of maintaining these vacant properties. We have no ability to sell them. I can't go out and hang a sign. I would if I could,

Sen. Elder Vogel (R-Beaver) 37:11

Okay. very good and just quickly on the GPS GPL ones you've been talking about. What kind of cost savings Do you have? Any way to quantify cost savings that you're going to possibly get back somehow through health costs. Is there any way to quantify that?

Sec. Valerie Arkoosh 38:52

the cost of medications is one of the things that goes into the rate setting, and so I can't give you a specific, you know, precise number, but as the utilization of our pharmacy spend goes down, let's assume that it goes down by reducing this, this very high cost medication, then that would be reflected in the rates. And the rates look back two years and then look forward. So there's a 30 months of trend in that whole calculation. So it takes a while to see it come through in rates. That's part of why we're really seeing a lot of the COVID impact this year. But what it will do is keep that rate of growth slower, lower than it would have been if we continued with these GLP ones.

Sen. Elder Vogel (R-Beaver) 39:39

Okay. Thank you. Thank you. Thank you very much. Thank you.

Chairman Scott Martin (R-Lancaster) 39:44

Chairman, Senator schwank, followed by Senator Coleman.

Sen. Judy Schwank (D-Berks) 39:49

Thank you, Secretary, some of the most powerful testimony or stories that I've ever heard have come from individuals in their late teens or 20s who have aged out of foster care, talking about some of the difficulties that they faced in their life as they go forward, and when I had talked with them, that was part of an initiative to look at an office of the child advocate so that we could in some way represent not only these older youth, but younger ones and families as well that that are in the system you've been in the county. So you know that people talk about being in the system most of the time, they're talking about CYS,, right and and some of the requirements that they have to to follow, I feel we in the legislature have failed in terms of getting the legislation through to make this happen, but in the interim, what is the department doing and how are we dealing with some of these issues that come up?

Sec. Valerie Arkoosh 40:51

That's an excellent question, and we want to be respectful of the fact that the General Assembly has had a couple of opportunities to pass that legislation and chosen not to , remember there was one before I got here. And so we've heard that, and we are undertaking a cross agency, actually intergovernmental approach to this issue. We know that keeping kids safe is way bigger than just a DHS problem, and we are working to convene three groups, folks from the executive branch, folks from the General Assembly, and folks from the judicial side of this equation, and we hope that you will recommend members to participate in this work. We have a wonderful framework that we actually got from the National Governors Association, again, the bipartisan National Governors Association, about how states can look comprehensively at their entire children and youth programs in a way that works as far upstream as possible to keep kids safe and healthy, just right out of the gate. And we believe firmly that it takes all three of us coming together, all of you, the executive side and the judicial side, to put together or to take a fresh look at what is needed here in the Commonwealth to do this work most effectively. If out of that process it comes that we should have a child office of the child advocate. I think that that will bolster the thinking behind that. I don't know if that will come out of this process or not, but we are really excited to engage in this. The governor's office is fully supportive of this new way of trying to think about this, and we will be in contact relatively soon to talk about how we are hoping to kick that off and requesting participation from General Assembly members.

Sen. Judy Schwank (D-Berks) 42:56

Now I appreciate hearing about that. That's That's news.

Sec. Valerie Arkoosh 42:59

Yeah, we haven't had to talk about it yet, but

Sen. Judy Schwank (D-Berks) 43:01

will this be something also that advocacy organizations will also have a voice in that speak for children and families?

Sec. Valerie Arkoosh 43:09

Yeah, we will definitely incorporate those voices as well.

Sen. Judy Schwank (D-Berks) 43:13

I look forward to that. Well, we're really your progress.

Sec. Valerie Arkoosh 43:16

Yeah, we think it's time to take a pause, just given that we have, So we're going to try to come at this from a new way.

Sen. Judy Schwank (D-Berks) 43:23

Thank you. Switching gears. When Dr Bogan was here speaking about her department, she talked about a program called tips, and I didn't know what she was referring to, but I nodded my head, and then I did my homework, went back and looked at what this is. It actually refers to the perinatal psychiatry access program. Can you talk about what this program does? I think it was funded in 2024, at least. That's all I could find. But it seemed interesting to me, because it could actually help us in terms of some of our rural health care, and particularly our rural maternal health care that we talked about in other sessions here. Can you, can you talk to me about it?

Sec. Valerie Arkoosh 44:09

I'd be happy to so the maternal psychiatric line is actually modeled off of something we have already in our Medicaid program, that is for pediatric patients, and it is for pediatric patients who are participants in Medicaid, and it allows a treating physician, say a primary care pediatrician, to get a psychiatric consult over the phone in real time. We have people that man these lines, and it's been enormously helpful for pediatricians, again, particularly pediatricians who practice in geographic areas where they may not have a lot of psychiatrists or psychologists nearby that they can easily contact. So that program has been quite successful, covered through Medicaid. So as we've undertaken this work in our maternal health system, there's been the desire to build something like that for maternal behavior, health consults to deal with these issues around postpartum depression and some of the other things that we've talked about today that a general obstetrician or a family medicine doctor who takes care of pregnant people may not have quite the expertise in that others do. So currently, it's been grant funded, and the question has been raised about whether or not we could bring it into the Medicaid system. If we did that, it would only cover Medicaid patients, right? And so I think there's a desire to have this cover

any pregnant woman, you know, antenatal or postnatal. And so that's sort of where it's sitting right now, is to understand what a go forward path would be that would be broader than Medicaid.

Sen. Judy Schwank (D-Berks) 45:43

Do we have any stats or data on how effective that was, or at least some, you know, case studies that talk about how that worked?

Sec. Valerie Arkoosh 45:56

I don't have anything right in front of me because it hasn't actually lived in DHS, but we can certainly try to get you some additional information. Additional information on that.

Sen. Judy Schwank (D-Berks) 46:03

Okay, thank you. I appreciate it.

Sen. Jarrett Coleman (R-Lehigh) 46:05

, Senator Coleman, followed by Senator Rothman. Thank you, Mr. Chairman, Madam Secretary, in regards to additional the additional dei training, which we had discussed on the last round and didn't have a chance to finish your approach seems very much at odds with the Trump administration's recent executive orders directing that federal funds will not support dei programs, and with the real needs we talked about today for senior care, child care and care for disabled individuals, I do not think that we should be spending any additional money on dei training about implicit bias, but instead we should focus on enforcing existing non discrimination policies and using those funds instead for actual services. So I'd like to just just end with that. I do have a I do.

Sec. Valerie Arkoosh 47:03

Senator, if you'd just please allow me to -

Sen. Jarrett Coleman (R-Lehigh) 47:05

you'll have plenty of time to answer the next question. I'd like to move on in regards to your office's use of state aircraft. Which state aircraft do you use to travel?

Sec. Valerie Arkoosh 47:17

Well, I'm going to answer the first question, and I will get to the question about the state aircraft. One of the many ways that DHS considers diversity is actually individuals who come with a disability. It is extremely important that individuals with disabilities are able to be understood in whatever way it is that they are able to communicate. You've heard me mentioned several times today that many of the individuals that are we, that we provide services for, are not able to communicate verbally. And so if you are individual who works in one of our county assistance offices, and you are trying to help a family or individual with a disability where they can't speak using language, then you need to have that type of training. I understand that the President thinks of dei in one way. We think of dei in a very different way. Here in the Department of Human Services, we are aiming to serve every single Pennsylvanian, no matter their background, no matter what they bring to us. We want to be there for them and be able to help them and to us. That is diversity. When it comes to the state plane, we do use the state plane. I think since I've been secretary, we've probably used it maybe 10 or 12 times. We often use it with other agency staff and secretaries, if we can,

Sen. Jarrett Coleman (R-Lehigh) 48:42

is that, is that the penn dot airplane,

Sec. Valerie Arkoosh 48:45

I believe, yeah, I think that's

Sen. Jarrett Coleman (R-Lehigh) 48:47

okay. Yeah, going back to -

Sec. Valerie Arkoosh 48:49

we do it to be much more efficient. You know, often enables us to do three or four events in a day by taking the plane rather than driving west to Pittsburgh and spending four hours in the car.

Sen. Jarrett Coleman (R-Lehigh) 48:59

Sure. Well, while you, while you waste taxpayer dollars using the aircraft,

Sec. Valerie Arkoosh 49:03

I'm not wasting taxpayer dollars, we're being efficient in how we use those dollars.

Sen. Jarrett Coleman (R-Lehigh) 49:10

I would argue you're not. For example, in January, it appears here, January 29 2024 you're listed on the flight logs going from capital city to Pittsburgh, where you conduct Bennett business for 26 minutes. Do you know what business were you doing for 26 minutes in Pittsburgh? in 26 minutes.

Sec. Valerie Arkoosh 49:31

trust me, if I was going to Pittsburgh, I probably had multiple events that day I don't know why the business would be on the flight log. I don't, I don't know how they -

Sen. Jarrett Coleman (R-Lehigh) 49:42

Because you're required to put business on the flight log.

Sec. Valerie Arkoosh 49:44

Okay, well, we can get you my schedule for that particular day if you'd like, but I can assure you that I do no less than two, and often as many as four events. An event could be meeting with a community based group. It could be -

Sen. Jarrett Coleman (R-Lehigh) 49:59

Sure but on this day -

Sec. Valerie Arkoosh 50:00

county assistance offices. It could be lots of things. I can assure you that that log entry is not correct, that we were doing way more than 26 minutes of business.

Sen. Jarrett Coleman (R-Lehigh) 50:10

Okay? I will definitely follow up with you to make sure that we get the official purpose of what your 26 minute visit was for -

Sec. Valerie Arkoosh 50:20

Senator Coleman, That's really disingenuous of you -

Sen. Jarrett Coleman (R-Lehigh) 50:23

Ma'am these logs are official logs - I'm sorry, Senator, but you're saying they're inaccurate. I have to assume the information i have -

Sec. Valerie Arkoosh 50:30

, I'm just telling you that that is not right.

Sen. Jarrett Coleman (R-Lehigh) 50:33

I sure hope our logs are accurate.

Sec. Valerie Arkoosh 50:35

Well I'm not in charge of the logs -

Sen. Jarrett Coleman (R-Lehigh) 50:36

If you're saying the logs are inaccurate, That's a huge problem.

Sec. Valerie Arkoosh 50:38

That's not my responsibility.

Sen. Jarrett Coleman (R-Lehigh) 50:40

Interesting to follow up on that point. How about your recollection of your official bins in May 30, you took you're listed as a passenger on the state airplane from capital city to Erie. This time, you spend a little more time. You spend 36 minutes in Erie conducting official business.

Sec. Valerie Arkoosh 51:01

You know, it's not a good use of anybody's time here to have this conversation. I'll be happy to get you my travel schedule and the events that we did on those days. I don't know who makes those logs. I don't, And whoever wrote that down. I don't know what they're how they do it, but I can promise you that that is not how I spent my day.

Sen. Jarrett Coleman (R-Lehigh) 51:19

You were not on the ground in Erie on the 30th of May in 2024 for 36 minutes for official business,

Sec. Valerie Arkoosh 51:30

I will give you my schedule.

Sen. Jarrett Coleman (R-Lehigh) 51:32

Okay, cost to the taxpayer, 2700

Sec. Valerie Arkoosh 51:35

I will get you my schedule, Senator.

Sen. Jarrett Coleman (R-Lehigh) 51:37

Thank you. And this is important. I understand you may not -

Sec. Valerie Arkoosh 51:38

It is important, we only take the plane, when we're planning multiple events going west, because when you drive west, and I know you're not in the West, so you may not know, you don't even have cell signal, the whole time when I drive east in your direction, I do meetings the whole time in the car, somebody, one of my team is driving me. I do meetings continuously. Everybody who drives West knows you can't do that. When you drive west, it can take five to six hours to get to Erie, and so it is just not a good use of anybody's time for me to be in a car for all those hours if we do fly. And I am incredibly grateful to the taxpayers of the Commonwealth who afford us this ability to do this, because it lets me and a team of people, and often another secretary, fly somewhere, do multiple events in a day. Sometimes we fly back that night. Sometimes we spend the night and go to another facility. You know, I have -

Sen. Jarrett Coleman (R-Lehigh) 51:41

In these two instances you have no idea what you were doing, so -

Sec. Valerie Arkoosh 51:47

Well because I travel more than once anywhere -

Sen. Jarrett Coleman (R-Lehigh) 52:33

no more questions, Mr. Chairman

Sec. Valerie Arkoosh 52:39

I have facilities every county in this Commonwealth, and it is my responsibility to visit them, and I do.

Chairman Scott Martin (R-Lancaster) 52:45

all right, member members, time is done, and but I think everyone here will agree if there is discrepancies in logs that the law requires are to be filled out and filled out accuracy. For the purpose of transparency, I understand you say we do need to get to the bottom of it.

Sec. Valerie Arkoosh 53:03

I don't have a problem with that.

Chairman Scott Martin (R-Lancaster) 53:04

And surely, as Senator Coleman also knows, in dealing with other agencies, this seems to be a recurring theme throughout so it's obviously this needs to be ironed out and figured out. So we're going to close out round two with Senator Rothman.

Sen. Greg Rothman (R-Cumberland) 53:18

Thank you, Mr. Chairman, thank you, Madam Secretary. Nice to see you. You know your department, and maybe that's you sense some of the tension. Your department is not only the most expensive part of our state budget, but it's also the fastest growing department. On the expense side of the ledger, the cost of human services continue to climb year after year by close to a billion dollars a year. This time, the new cost to taxpayers is proposed to be more than 2 billion. How is this sustainable? This is not a rhetorical question, but where is the money going to come from? We as a Commonwealth are losing demographic populations from people actually pay the taxes. I mean, where do you is this sustainable? And I think that's why you may be getting questions about, are we jeopardizing federal funds by continuing to have DEI metrics? And I don't think there's anybody who thinks that dei metrics, you should be serving every single person in the Commonwealth that need service, irrespective of any of their characteristics, but it's on the hiring side, I think is also we're talking about, but how is this budget sustainable? I mean, at what, at what point do we say? Where are we going to get the money?

Sec. Valerie Arkoosh 53:24

Well, Senator, the question, I think the real question is, what if we don't do this? So as you well know, the programs that we oversee and the DHS are largely entitlement programs, and so if someone meets federal eligibility requirements, then we are required to provide them services. One of our biggest challenges is that the population and the Commonwealth is aging. I think you know, and I think you see the governor trying to do this every single day, is to bring more businesses here, build more housing here. We know we have a tremendous housing shortage. We want to encourage younger people families to move here, so that we can shift this balance a little bit, because what we're seeing is a rapidly rising 65 plus population, and not so much that growth in the lower group we've been looking as part of our rural health work at deliveries in rural communities, and the number of women in child bearing, of child bearing years in counties class four through eight has dropped 15% in about the last 20 years, so the birth rate of the remaining women has stayed largely the same. But there's just not the women. And so if we don't do something to get more young people into the state, it's going to be tough. But I can't say no, you know, I really get what you're saying but we can't say no to people.

Sen. Greg Rothman (R-Cumberland) 54:38

That's a good question though. Are there any entitlements that should be repealed? Are there any entitlement I mean, we have to count on Washington, I guess. And we point our fingers at Washington,

Sec. Valerie Arkoosh 56:08

yeah. But Senator if Washington cuts these programs, then you will have actual living human beings. You have a sheet in front of you with a number of people in your district. I have Senator Martins right here. He has 55,000 people in Medicaid in his district, and

Sen. Greg Rothman (R-Cumberland) 56:24

so, I mean, I did watch the president's address last night. There wasn't the bill that passed Congress didn't mention Medicaid at all. I saw a lot of signs about cutting Medicaid. Who's proposing to cut Medicaid?

Sec. Valerie Arkoosh 56:39

Well, I'll walk you through that. So the Energy and Commerce Commission, or committee, I'm sorry, the Federal US Congress, in the House of Representatives, the Energy Energy and Commerce Committee is the committee of jurisdiction for the Medicaid program. And EMC is tasked with finding \$880 billion of savings over the next 10 years. When you look at the programs that are under the jurisdiction of energy and commerce, really the only way to come up with that kind of money is substantial cuts in the Medicaid program. They have other much smaller programs they could cut. But if EMC has to find \$880 billion of savings over the next 10 years, the only way is going to be to cut medicaid.

Sen. Greg Rothman (R-Cumberland) 57:22

you've run, I mean, you were involved in county government. I mean, there are you have a household. You've been involved in businesses like, Are there not is there not waste? And we've already seen that there's waste and fraud and abuse. I mean, just the Social Security Administration alone, you must have been. I mean, people 300 year old, 300

Sec. Valerie Arkoosh 57:43

you know what? That's an IT issue. I mean, they've that issue, whatever

Sen. Greg Rothman (R-Cumberland) 57:47

But the check's going out. I mean, this is like my colleague asked about the law. It's like money is being sent to people who are listed as so it's either an incompetency or a typo, or

Sec. Valerie Arkoosh 57:58

I'm not a social security expert, but I can tell you about our program here.

Sen. Greg Rothman (R-Cumberland) 58:03

we have \$36 trillion debt. You want to do harm to the young people this Commonwealth in this country continue to put more and more debt on their backs,

Sec. Valerie Arkoosh 58:14

well i'm worried about the 1.3 million Pennsylvania children who are on Medicaid, who are at risk of losing that and I don't know where they're going to go to see a doctor and get their vaccinations and make sure they get off to a healthy start in school. We have a measles epidemic that is about to overtake this country with unvaccinated kids. Can you imagine if those 1.3 million kids couldn't get vaccinated?

Sen. Greg Rothman (R-Cumberland) 58:36

My time is up, but we could talk about an open border where kids are coming in without ever being vaccinated, where adults are coming in without ever being vaccinated. But thank you, Mr. Chairman

Chairman Scott Martin (R-Lancaster) 58:46

thank you, Senator. All right, that's the conclusion of round two. We didn't seem to get any interest in a round three. So for round three, we're gonna go three minute minutes per person, and then I will finish up. How about we'll start off first with Senator Costa, and we'll figure out the list from there.

Sen. Jay Costa (D-Allegheny) 59:19

Thank you very much, Mr. Chairman, I appreciate the opportunity. And Madam Secretary, thank you for your responses. Just a couple quick questions with regard to the Life program. Can you tell us a little bit about that program, how effective it is, and, more importantly, if, in fact, when these proposed cuts become a reality, is there a role that the life programs can play with respect to, particularly on a Medicaid, individuals who are only Medicaid, not the not the dual eligibles, but that the Life program can play maybe, if it's enhanced along those lines.

Sec. Valerie Arkoosh 59:49

Yeah. So thanks, Senator. You know, I'm a big fan of the life programs. I think they feel a very important niche, and they're, they're kind of unique. They actually are an option, that it is a managed care option for individuals who are 55 or older, who are nursing home eligible, so they have clinical conditions that would allow them to go into a nursing home, but they want to live in the community right as most, as we know most people do, the Life Program is available in 54 of our counties, and we have been Trying to get it into all 67 we just haven't quite had take up in some of those counties. So what you see in the Life Program is a mixture of different kinds of coverage. There are people in there with just Medicare. There are people that are there through our Community Health CHOICES program. And then there are people who, I think can actually private pay to be in the Life program. And so for us, we have in the 24-25 budget, we had a \$7.3 million increase in funds for life to increase rates. For them, if the Medicaid cuts came, I think that they would be impacted similarly, there wouldn't really be any difference in terms because for those of the folks of our programs they serve there, they would still be impacted by those cuts.

Sen. Jay Costa (D-Allegheny) 1:01:08

Thank you. I'm a believer in that program as well, and hopefully these don't come to fruition. I want to go back to a question I asked you earlier to reiterate, in terms of there's been a lot of conversation about your budget, the size of your budget, the \$2 billion increase. Can you talk a little bit about the significant portion, I think you may mention, relating to prescription drug side. So we're clear on that. But is that a particular expense? So you can, you're going to see going you'll see it going forward. But would that be representative in another increase of a multi year, multi billion dollar increase in the out years? Or there's just like a one time event that occurred here, and then we'll be stabilized.

Sec. Valerie Arkoosh 1:01:43

You know, it's hard to predict right now, but you know, as as we know, I have the opportunity to come back every year and have this conversation with you again. And so while the Commonwealth has a way that they tend to project out years which are relatively stable, you appropriate funds year by year. And so we'll be able to have this conversation. But you know, going back to some of the prior conversation, I just want to point out that there's another billion dollars in our budget this year to account for the nursing facility increases that the General Assembly has legislated. And so this isn't just about GLP ones. This is about our aging population that nursing facilities are asking for money. There's just cost requests coming all around ambulances. You know, all of it, much of what's in our budget is not just DHS on a whim. It's legislatively mandated increases,

Sen. Jay Costa (D-Allegheny) 1:02:35

just very briefly. And I understand that. So the cost drivers that you have relates to what things that we've done as it relates to this year's budget, is what you're saying.

Sec. Valerie Arkoosh 1:02:44

It's a combination, , mostly those seniors having increased needs. That's really what -

Sen. Jay Costa (D-Allegheny) 1:02:50

it's my time is up. Thank you very much. Thank you, Mr. Chairman,

Chairman Scott Martin (R-Lancaster) 1:02:55

Senator Haywood followed by Senator Pennycuick,

Sen. Arthur Haywood (D-Montgomery) 1:02:59

thank you. You're doing a fantastic job. And I got to tell you, I was amazed at your tremendous command of the agency. When you when you recall the date or the you said the last person from Polk you had a sister when they were leaving, that is unbelievable detail. Thank you so much.

Sec. Valerie Arkoosh 1:03:18

I hope DGS sell the property soon, so we don't have to pay for it.

Sen. Arthur Haywood (D-Montgomery) 1:03:21

you're doing fantastic, and don't be discouraged by any of my colleagues. I do want to let you know that the executive order that was mentioned was halted was unlawful, and a court declared it unlawful with respect to the Trump administration. So for enforcement, you have the courts that are containing that behavior, and we're going to certainly want to have dei hires, as opposed to DUI hires, which we've also had in our government. I do have a question, though, is it, would you be in a position to be more effective with a diverse workforce, when you want to serve a diverse population, then a non diverse workforce, still trying to serve a diverse population,

Sec. Valerie Arkoosh 1:04:14

absolutely will be more effective. And I share my perspective on that from my years of practicing medicine, there's abundant literature in the medical literature that patients are more comfortable with healthcare providers that look like them or have a similar life experience or background or ethnic background. I think there's abundant data around that. So we want to provide the best possible customer service we can to every Pennsylvanian, and so it's critically important that our team knows how to do that.

Sen. Arthur Haywood (D-Montgomery) 1:04:46

Thank you. So the PA, 211, I understand it's where people call the agency for for help and assistance. Is that accurate?

Sec. Valerie Arkoosh 1:04:56

So 211, is actually separate from us. That is the system run by United Way. Think you're thinking of PA navigate, which is a system that is now fully up and running, and it's a interoperable system where people, county governments help hospitals and health care providers can log or get on a line and find services that they need in their community.

Sen. Arthur Haywood (D-Montgomery) 1:05:23

With the challenges we're hearing about possible changes from the national government, I'm anticipating there could be a lot more people calling so I think we need to look at what the capacity is. I'd like to talk to you later about the capacity of that system, given the anxiety and the uncertainty around changes. It was mentioned earlier that individuals receiving public assistance maybe they should be particularly we're talking about the SNAP program and having more work requirements. So we took a quick look at some of the jobs that are available, accounting assistance, paving foreman, youth counselor, these are some of the Help Wanted. Do you have a sense that the population, which I understand, is highly often uneducated, you know, maybe dropped out of high school? Is there going to be a skills gap between the jobs available and media individuals who are receiving some of this public assistance.

Sec. Valerie Arkoosh 1:06:28

Yeah, I think that that's true today. So when we look at the population of folks that are in that kind of a bod category, able bodied adults without dependents, we do know, as I mentioned earlier, 40% of them are working but not making enough money to not qualify for SNAP. We also know that a decent percentage would have serious mental illness or substance use disorder that might make it difficult for them to get hired. And you mentioned too, they don't always have even a high school diploma. In this category that is really the focus of a lot of a lot of these job training programs that we talked about this morning, to meet folks in their community with needs in their community, right? Match those things up. That's what's been so great about the snap, what we call now jets programs, formerly snap 5050, that there's local folks saying, oh, we need this in our community and their training for that particular skill set. So, you know, we just hope we can continue to grow these programs and encourage people to participate.

Sen. Arthur Haywood (D-Montgomery) 1:07:29

Thank you.

Chairman Scott Martin (R-Lancaster) 1:07:31

Senator Pennycuick, followed by Senator cappelletti.

Sen. Tracy Pennycuick (R-Berks) 1:07:34

Thank you, Mr. Chair. The publicized reimbursement rate for OB, childcare, childbirth care is about \$2,000 in the Commonwealth of Pennsylvania. So it does appear that the obstetrician, who's been through a lot of school, as you know, is being paid less than a doula.

Sec. Valerie Arkoosh 1:07:52

I think that's the fee for service rate. Do you know the - maybe I'm going to ask Deputy Secretary Kozak to come up. I may know a lot of detail, Senator, but I don't know our fee schedule by heart. So that's right, this is Deputy Secretary Kozak.

Sally Kozak 1:08:10

So the Number that you're talking might actually be our fee for service rate and our managed care organizations are not bound by our fee schedule. In fact, many of our managed care organizations pay significantly above the fee for service rate, and they do that through value based purchasing

arrangements, and particularly with the obstetric gynecology they have what they called a shared savings model for OB case management.

Sen. Tracy Pennycuick (R-Berks) 1:08:39

So can you give me that number, please.

Sally Kozak 1:08:43

we can get you a range.

Sen. Tracy Pennycuick (R-Berks) 1:08:45

A range would be great. Thank you. Switching to your workforce. How many employees do you have in the Department of Human Services?

Sec. Valerie Arkoosh 1:08:55

So we currently have 13,709

Sen. Tracy Pennycuick (R-Berks) 1:08:59

and how many of those work full time in a government office building?

Sec. Valerie Arkoosh 1:09:05

8508 which is 62% of our staff.

Sen. Tracy Pennycuick (R-Berks) 1:09:08

And out of that 62% how many of those are on a hybrid system of work at home?

Sec. Valerie Arkoosh 1:09:14

No, those are 100% percent in the building, if you'd like to know part time Telework is 37% of our staff, which is 4998 and then we have 1% of our staff, which is full time telework, 203.

Sen. Tracy Pennycuick (R-Berks) 1:09:31

and so how much now that we're post COVID, how much of your office space compliment Have you given back to DGS,

Sec. Valerie Arkoosh 1:09:37

yeah, we're actually working actively in that right now. We're doing it in a couple different ways. So as I mentioned earlier, I do have facilities in literally every single county, and we're looking at all of our county assistance offices. We're looking to see many of them are leased. And so we're looking to see if we can co locate with like Career Link and other entities that make a lot of sense for the people that we serve. And we've already started to do some of that. So we're reevaluating all those leases, and then we are working with other agencies. We have room in our Department of Human Services Building, and so we're hopeful that we'll be able to either bring back some of our own folks into that building, or if that space isn't needed in that particular place, that another agency can use some of that space.

Sen. Tracy Pennycuick (R-Berks) 1:10:17

Office of open records needs some space. So just for future reference, if they come to you, they're being kicked out of their space. That was a couple days ago. So on that. Are you renovating any buildings? Have you asked for any buildings at the old Harrisburg state hospital?

Sec. Valerie Arkoosh 1:10:33

No.

Sen. Tracy Pennycuick (R-Berks) 1:10:34

Thank you madam.

Chairman Scott Martin (R-Lancaster) 1:10:38

Thank you Senator, Senator cappelletti, followed by Senator Vogel.

Sen. Amanda Cappelletti (D-Montgomery) 1:10:42

Thank you. I have two two quick lines of question. I just want to for a point of clarification, how much money does Pennsylvania spend on the SNAP program?

Sec. Valerie Arkoosh 1:10:50

So the SNAP program brings \$367 million a month of federal dollars into the Commonwealth. \$367 million a month. That money goes directly to people to purchase food, and that is 100% federal dollars. We have 10,000 grocers and retailers, many of them mom and pop shops, that participate in this program. It is just essential to them. And of course, our farming community benefits from that amount of food being purchased here in the Commonwealth to administer the program, which is a state cost, it is a little over \$200 million so we spend in a year on administrative costs less than we get in one month from the federal government in SNAP benefits.

Sen. Amanda Cappelletti (D-Montgomery) 1:11:37

Wonderful. We thank the federal government for helping support our local hunger initiatives and ensuring that people are able to be fed.

Sec. Valerie Arkoosh 1:11:44

And just, I have to just follow up on that. Since you mentioned our local networks, our charitable Food Network is essential to meeting the needs of families. But I do want to be clear, because I've heard it said that if snap goes away, the charitable Food Network will be able to pick up that. I do want people to be aware that for every meal from our charitable Food Network, which is essential, snap covers nine meals, nine so we all know how stressed our local food banks are right now, it would be impossible for them to make up for SNAP.

Sen. Amanda Cappelletti (D-Montgomery) 1:12:23

Thank you so much for that point of clarification. Do hope that our federal partners will continue to see the need for such an incredibly important program. I want to shift gears just a little bit, because I am fortunate enough to be chairing minority chair this year of the Judiciary Committee, and yesterday, during the Department of Corrections budget hearing, I asked about recidivism and tools that can be used to help reduce recidivism for formerly incarcerated people going through the re entry process, and DHS was brought up as a partner in that. And I'm just wondering if you can talk a little bit about what DHS is doing and can do to help reentrants adjust to society and support them through that process so that they do continue into becoming the productive members of society they truly want to be.

Sec. Valerie Arkoosh 1:13:09

So thank you for bringing that up. We are very excited about the opportunity that we have and that we hope you will support our 1115 waiver on re entry. We spent a lot of time here last year, talking about four different waivers that we applied for. All four were approved. But given the federal funding uncertainties, we are proposing to only go forward with the one initiative this year, and we're picking reentry for a couple of reasons. One, it is a partner with the Department of Corrections that would bring new federal dollars in to help diversify some of their funding to allow them to take medicaid dollars that they're currently spending on medications and use them for other critical programs. And this is also built

on the 2018 Support Act, which was a bipartisan Act passed under the first Trump administration signed by President Trump, that was an effort to make sure that people leaving incarceration would have at least a month's worth of medications with them. So this program builds on that and would allow us to go in 90 days before release. We would be working with people with serious mental illness, a substance use disorder, serious chronic disease and either are pregnant or had recently given birth, we estimate about 7000 people a year would be in the program, and this is another one of those programs that has considerable federal funding that comes with it. 90% of the costs come from federal dollars. We would ensure that those folks had medications when they left, that they had doctor's appointments set up. They have one year of coverage of Medicaid and case management to go with that. And similar programs less robust have been shown to reduce overdose deaths and to reduce reincarnation incarceration rates, so we're very hopeful to be able to implement this program.

Sen. Amanda Cappelletti (D-Montgomery) 1:14:58

Wonderful. Thank you so much. Dr arkoosh,

Chairman Scott Martin (R-Lancaster) 1:15:03

Thank you Senator, Senator Vogel, followed by Senator Street,

Sen. Elder Vogel (R-Beaver) 1:15:08

thank you again. Chairman, good afternoon again. Secretary, your budget proposes to reduce the county assistance offices by about 100 positions. You're transferring 40 positions to the GGO 20 to county administration and eliminating by 40 positions. Can you give us a quick update on why you're reallocating these positions and the ones you're going to eliminate? What can the cost savings be on those?

Sec. Valerie Arkoosh 1:15:29

So we are faced with some really complicated staffing needs. Going forward, there have been a couple of new federal rules coming down from programs like Medicaid, and that significantly increase our monitoring and compliance requirements and so, and we've talked about this before, I don't always have the right people in the right appropriation, right so what we are proposing to do with this is to transfer 100 individuals or take 100 positions from one of our appropriations, we would keep it state budget neutral by actually eliminating 40 of those 100 positions permanent, eliminating them, and then moving 40 of the remaining 60 to one appropriation and 20 to another to help meet Some of these increased staffing needs for my other programs, and that would be state budget neutral,

Sen. Elder Vogel (R-Beaver) 1:16:25

very good. Thank you very much for that. Also want to go back to what you talked about this morning. Briefly. Was talking about rural hospitals with Senator Kearney and what kind of certifications that a rural hospital, what are they lacking? You mentioned certifications for rural hospitals, what what are they lacking, or what did they need to. I just wrote that down and said, certifications for rural hospitals. What are they lacking, or what do they need to?

Sec. Valerie Arkoosh 1:16:48

I don't know. Maybe I misspoke. The rural hospitals are not lacking anything in terms of certifications or anything like that. I I'm not - were we -

Sen. Elder Vogel (R-Beaver) 1:16:59

okay? Maybe I'm wrong then too, I don't know.

Sec. Valerie Arkoosh 1:17:02

But no, they're, they're great. I mean, they're doing great. Many of them, you know, as we talked about, about half are doing okay. They are slightly, you know, positive margins. The other half are not. And you know, I firmly believe I grew up in Nebraska. I don't know if you know this. I went to med school in Nebraska. I really do understand challenges faced by rural communities, and I know that it's critically important that communities rally around their hospitals. We need the business community, we need the county government, we need everybody rallying around their hospitals. And we want the hospital to be a place that the community is going to drive to instead of driving by. And right now, we got too many people driving by their hospital for a whole variety of reasons. It isn't necessarily the hospital's fault, so we're trying to be the catalyst for those convenings to help get those folks on their feet. In the meantime, you know, hopefully temporarily providing these funds that you all started last year with that first 10 million, and the governor, proposing to continue, lets us draw down those federal dollars to enable some stability while we work on some of these other efforts to get these hospitals back on their feet.

Sen. Elder Vogel (R-Beaver) 1:18:10

Yeah. Okay. Thank you. I appreciate we definitely need to keep our rural hospitals for sure, and I need to find a way, like he was talking these private equity firms that buy these up and then gut them. Is just a shame. I've had to happen several times in our area, Western Pennsylvania. It's a shame. It's communities

Sec. Valerie Arkoosh 1:18:25

and we go back to talking about, you know, getting young people to move here. If there's not a hospital community, it's hard to get a business to come there, right? A business can't grow if they can't attract workers. And workers want a hospital, so the hospital becomes the crux of economic growth and development and vitality of that community. So we are. We're with you in lockstep that we want to help get this done.

Sen. Elder Vogel (R-Beaver) 1:18:45

Thank you very much for your time. Thank you, Chairman,

Chairman Scott Martin (R-Lancaster) 1:18:48

Senator Street, followed by Senator Coleman.

Sen. Sharif Street (D- Philadelphia) 1:18:53

Thank you, Mr. Chairman, Madam Secretary, just for a point of information on February 21 2025 the US District Court for the District of Maryland issued a preliminary injunction stating the executive orders around dei that my colleagues keep mentioning, specifically. J 20 order, EO, 41451, ending radical wasteful government, dei programs and J 21 order, EO, 414173, they have both been suspended by the courts at this point in time, so just thought that we should get that on the record. But by the way, thank you for for caring enough to travel to see every Pennsylvanian across the Commonwealth, as people have often criticized folks for not doing you've clearly been paying attention to rural Pennsylvanians, urban Pennsylvanians and all Pennsylvanians. And thank you for putting in the effort that being said. PA is was a pioneer in the children's health insurance program known as chip the program uses both state and federal funds to provide health insurance for children. Could chip be impacted by all these proposed federal cuts, and if so, you know what would happen?

Sec. Valerie Arkoosh 1:20:12

So chip would be much less impacted by these federal cuts. Right now, the way the system is is configured, if you qualify for Medicaid, then you your child, and you qualify for Medicaid, then you you go into the Medicaid program. If you are just above that Medicaid qualifying eligibility, and there's a range of incomes there, you can be eligible for a no cost chip, and then as your family's income goes up, you would be required to pay a little bit more, a little bit more, a little bit more of a premium, all the way up to what's called full pay chip. And families that use the full pay chip are often families who have a child with a very expensive and complex medical needs, but because of their family circumstances, they don't qualify for Medicaid. And so they're always able to buy a health insurance plan on chip, no matter what. You know, they can't be denied for any reason. And so in terms of federal funding into chip, we do have some. Can you tell me what that is? I don't have that number.

Gloria Gilligan 1:21:23

Yeah, we do use ma dollars, medical assistance, Medicaid dollars to support the CHIP program, but as the Secretary was talking about with the multiple tiers, I think the point is that children wouldn't necessarily lose coverage, but they may, their families may have to pay more a premium, depending on what happens at the federal level.

Sen. Sharif Street (D- Philadelphia) 1:21:44

So in this, but this could impact, like you said, children who already are many of whom have some of the more have extenuating circumstances and some of the pre existing conditions that that, that we've heard so much about, and children with, you know, children have made childhood cancer, things like that. Who would have trouble getting a normal policy? It would be really unfortunate if these cuts cause those families already dealing with those kind of problems to have more more challenges. Thank you for your service and your assistance.

Chairman Scott Martin (R-Lancaster) 1:22:19

Thank you, Senator. Okay, it's the end of round three. I will first say thank you and your team for being here today, and I'll be closing out with a variety of topics today. You know, first and foremost, I do want to say thank you to the folks that work with you. I mean, no matter what the area is in terms of human services, sometimes they're not the easiest cases to deal with, and for any of us that have ever dealt with individual cases and helping to navigate things that happen or reactions to court decisions that change services or whatever it might be, I know they're trying to do the right thing, and so We've really honored to work with just a fantastic team, as you saw some evidence of today. So I'd start out first, and just so we can check the box. A year ago, I had invited you to come visit a pregnancy resource center, and we were able to finally get that on the calendar and get that done with Senator Judy Ward yourself and some of your team members, and I want to say that I appreciate you following through and seeing the work that they're doing there. I also really appreciate the shout out to tech centro, as you know, Senator Kim can tell you in terms of how this has grown into Dauphin County, Senator Schwank down in reading, Senator Gebhard up in York County. And of course, we have one becoming on line soon in York County. It really making a difference. And I would appreciate any plug that you could make with the administration in this area, because this has grown. And as we get other things across the state. Something is very disappointing, zeroed out in the budget, and this is something that's been proven to work, overcoming language barriers, people were underemployed, unemployed, neighborhood based and real relevant job skills. And so from your perspective, I would love if you could ever share that vision. Yeah, we shouldn't when things work, we shouldn't have to fight to put them back in

Sec. Valerie Arkoosh 1:24:24

and that one's definitely working.

Chairman Scott Martin (R-Lancaster) 1:24:25

So another follow up from the past that you and I have discussed, and of course, we probably have both heard a lot from the Juvenile Court Judges commission. I think everyone's pretty familiar with the long history of juvenile detention centers in Pennsylvania, especially especially post kids for cash, especially post Pennsylvania kind of getting caught using TANF funds to fund detention, and so the funding formula changed overnight. As matter of fact, I remember coming here years ago, one of the first senators I ever met with to talk about this funding changes with Senator Costa back a long time ago. Obviously, we know a lot of facilities closed around the state, and though there has been a tremendous amount of work put into community based care, having kids rehabilitated along with families, reducing recidivism, whatever it might be, we also all can acknowledge that there are certain levels of fences, or some who are old, the older ends of their youth, that creates some serious offenders, or have victims next door that have to be detained until they go to court. And the amount of bed space that we have in this Commonwealth went from 23 facilities around 2006 down to, I think we're low. Might have been 12 around that area, and of course, losing the largest at the time, which was the Schuman center in Pittsburgh. I know the Juvenile Court Judges Commission has really brought two, two items to us, so at least last couple years, or my time as approach chairs, one is the availability of detention beds for when they need it, and secondarily, specifically in behavioral health placements, and I believe we had a pretty robust conversation about that in the past, like, are we sending kids out of state? Because that's the only option that we may have. Can you give me an update as to on those two areas where we're making inroads? Because I'm sure as soon as I have the Chief Justice in again and or JC, Jason, we're going to bring it up again.

Sec. Valerie Arkoosh 1:26:23

Thank you for that Senator happy to talk about both of those things. So as you know, detention a pre adjudication, detention of youth, is a county responsibility, but we've been working very collaboratively with counties. As you know, I now have a person on my exec team who's there to work with counties, and one of the things that she does is bring counties together. So we've got a couple of examples now of counties that are working together to create pre adjudication detention centers for youth, and we're helping to collaborate with them, bring them together. In some cases, through the needs based budget process, we can provide some money to help, I don't think build, but renovate a facility. So there's some rules around that, but where we can help, we are, we are doing our best to help with some funding to renovate those facilities, to get those up and running. So that's been going pretty well. And I'm really encouraged that we are getting counties to work together. Because, you know, we both know that some of these counties, there's just no way they can afford to do this by themselves, and it doesn't really make sense. They don't have enough need and so by getting counties that are geographically close to work together, I think it's a great use of taxpayer dollars, and really let some of this work move ahead. So we're seeing a couple of examples of that. So so far, so good on that. On the secure detention side, I think, you know, a year ago, I can't remember exactly what the number was a year ago, but in July of 2023 the number was like 171 youth were on wait lists. They had been adjudicated to secure treatment with the state. That list, that number is now down to 3027, even 27 this week. So we've made tremendous strides. We take this responsibility very, very seriously. We have increased our capacity, both with a center in the west and a center in the southeast. As you know, one of our biggest challenges

has been that an increasing percentage of youth, particularly coming out of one county in the southeast, are being adjudicated for time commitments. So our typical youth is with us for six to nine months this county in the southeast, often with older teens with various serious crimes in an effort to keep them out of the adult system, which as a policy decision we support. But the shift happened overnight, and it caught us unawares. And so we have very rapidly worked to accommodate youth that are now with us for two years or longer, in some cases, and we had to make more space, because obviously, they don't leave their beds as quickly as the ones that are six to nine months. And most importantly, build appropriate programming for these youth. So we're concentrating that for now Louisville and working to build these longer term programs. We want these kids to leave set up for success. You know, if they if they haven't graduated from high school, we work to do that. We want them to have a skill, a trade, something that's going to allow them gainful employment. We went to the I got to speak at the graduation at Louisville last spring. You might be happy to know that Justice Dougherty has agreed to be their commencement speaker this year. So it's pretty great. The kids are so excited, and we really take this responsibility seriously, and they're very proud of this work. So if you ever want to come and visit, we'd love to give you a tour there, but So those are some of the things that we've been working on in these two years since I have been in this position,

Chairman Scott Martin (R-Lancaster) 1:29:42

okay, and in terms of, are you aware of I know we've had some issues with behavioral health services and getting new programs started or up and running in Pennsylvania as an option for the courts to adjudicate youth as part of their disposition to I mean, I we had one young person in my area that sat in detention because of the what was going on her life. She couldn't be released, and sat there for a year and a half. And that amount of time counts nothing towards the rehabilitation, and that entire amount of time is funded half and half between the state and the county. And you know, it almost seems like a waste of time being there. She's safe. Put a valuable measure on that, but we just can't find available something to meet her specific behavioral health need.

Sec. Valerie Arkoosh 1:30:31

There is no question that that remains a challenge, and this is part of the work that that complex needs group that we talked about earlier this morning is working on is many of these kids with complex needs are not only medical, they could be serious mental illness. And some of these youth are justice involved as well. And so they are working to look at this holistically and figure out what to do. They're not a lot of programs like what you discuss. And some of these, we end up doing a sort of a one offset of service, of services for a particular youth, and that ends up being the most effective next step. So that remains a challenge, I will say, neglected to say, just to answer all your points in our juvenile justice system, we were sending youth to Texas as a, really an emergency stop gap to reduce some of the overcrowding and some of the detention centers. We had ended that as of December, we sent a total of 16 youth there. 15 completed their time there. The one that came back early was to face adult charges, so it had nothing to do with the program itself. So that contract has ended, and we don't foresee the need for that in the future.

Chairman Scott Martin (R-Lancaster) 1:31:39

Well, I think it behooves all of us is, I think, earlier this week, with the Department of Corrections, we were celebrating where we've come from over the last 15 years, renting beds, you know, shipping out inmates all over the country to rent space. And obviously, if we were in a world where, you know, our own young people, whether they're utilizing detention centers in Ohio or having to go to Texas for services, that we really look at how we can address those here, and how it impacts visitation and family and their involvement. So I appreciate that update a couple other topics. If I could read my my some of my chicken scratch here, there's been a lot of discussion about GLP one drugs that have come out. I'm just curious to know in these discussions, and you know, people saying how much it has an impact and made it more expensive. Has there been a breakdown of, like, where the money goes? Like, if you say, let's say treatments, \$1,000 just pull that out of the air, how much of that's actually going to the drug company? How much of that's going to the actual MCO? Do we have the ability to know the breakdown of those costs and who's making what in this whole process?

Sec. Valerie Arkoosh 1:32:48

Not fully, I think you know. So the MCO gets a contract from us, and again, you know, in that capitation process, their pharmaceutical spend is included in that rate setting process, they negotiate with the pharmaceutical companies. But I don't know that. Sally, we don't know. We're not privy to what exactly they paid, are we? Yeah, so yeah, maybe once you come up real quick, yeah, sorry,

Sally Kozak 1:33:33

sorry about that. We have the encounter data, so we know the range. We know that they pay everybody 100 but I don't know that they pay you \$10 so we have an estimate.

Chairman Scott Martin (R-Lancaster) 1:33:47

Okay, so I've gotten mixed feedback over what the true cost of the drug actually is versus what's being charged back. And I'd love just to get transparency on the issue and see what is the breakdown of those monies. You know, all too often I've been exposed in my career, and it'll be a next subject I talk about, you know, understanding, you know, how a lot of hospital billing works and a same procedure and what it could be charged to someone with private insurance versus someone with vaca. There's so many things the general public does not get to see. But if there's any way we can discern that, or if there's a way that we can take action to be more get more transparency as to what we're paying for, it also goes to show how much money are others making off of these decisions to utilize this drug. And I just am very curious about it.

Sec. Valerie Arkoosh 1:34:40

You know, we're looking at many things around PBMs in particular, and whether or not we should consider a different type of model going forward. And it's we potentially could recommend a model where we would have more eyes on some of that those costs we are studying it. We want to make sure that if we do recommend any sort of change, it would actually be cost neutral, or preferably save the Commonwealth money. So I don't have those answers yet, but we are working on those kinds of questions.

Chairman Scott Martin (R-Lancaster) 1:35:14

The thing that really gets me and a lot of these conversations, I refer back, and I believe may not been the exact number, but let's say this is means to talk about why we need to increase rates for certain MCO contracts. And every 1% leads to about \$180 million hit on the general fund. Well, if it ends up being a 10% increase to to to the those rates that are being paid, we're talking about anywhere from what 1.7 to \$2 billion additional impact on the Commonwealth and and sometimes I wonder if there are ways we can do a better job of understanding more the intricacies, and if there's things we need to change from the law perspective, because the lack of transparency, hasn't helped. So

Sec. Valerie Arkoosh 1:36:04

we'll keep you posted as we go through some of this work. we're thinking about those things too,

Chairman Scott Martin (R-Lancaster) 1:36:09

Yeah, and you'll probably understand what I'm getting at Next. And you know, I'm talking about these things because it's some, obviously, you've heard many times. This is the moment of the number one cost drivers of our budget is DHS. Probably within that is Medicaid and the state share to that. We all know that for a period of time here, until what, December, 31 2023, you know, when I first got to the to the Senate and my colleagues all will remember, you know, Medicaid reform was a hot button issue, and then COVID hit, and we had all kinds of money coming from Washington, DC, and it kind of pushed a lot of the Medicaid issues to the back burner, right? No one really thought about it. Well, now it's back on the front burner because those emergency supplementals have ended so years ago, and I can't recall secretary, if we talked about this, back in my Commissioner days, we actually entered a partnership with between the county of Lancaster and our bhds department and Penn Lancaster general health. And I know I'm not gonna use the right terminology, but what we really focused on were the super utilizers of Medicaid in Lancaster County. And what got me thinking about this is, I think I saw the latest graph is we have 29% of enrollees overall state ride that are responsible for just shy of 80% of all medical costs in the program. Does that sound correct?

Sec. Valerie Arkoosh 1:37:31

That's about right? Yeah.

Chairman Scott Martin (R-Lancaster) 1:37:33

So obviously we wanted to join forces, and not only did we work with these individuals, many of whom we got stabilized, lot less visits to the emergency room, and just from what we were able to calculate between the hospitals books and our books should have resulted in untold amount of savings with this individual. The problem is the county didn't save any money despite the work. The hospital didn't save any of the money despite the work where, where is the efficiency in that system swept off the table? Because do we capture it in negotiating capitation rates? If we're going to put forth goals on how to make systems better, and we're going to say, hey, taxpayers, if we're investing in this way, we're going to change this model, and it should save money, it should make people healthier. Where do we ever? Where do we where do we realize those savings so we can reinvest it in other places or whatnot?

Sec. Valerie Arkoosh 1:38:31

Yeah, that's a really great question. I'm going to answer that question, but I just have to go back to something that you said about Medicaid and COVID. You know, the other thing that happened with Medicaid during COVID Was that a whole bunch of Pennsylvanians that lost their jobs because of COVID went on to Medicaid. And I can tell you, it was about 650,000 of them, because that's how many people we then disenrolled because, thankfully, they were back at work post public health emergency. And right there, that is the whole point. You know, Medicaid is there when people need it, when they have an emergency situation like that, when something untoward happens. So I just, I just want to remind people that Medicaid is there and it's an entitlement for a reason. Those 650,000 people would have had nothing during the COVID epidemic without Medicaid. But to your larger point, so you know, Senator, I think you and I very much agree that there are many drivers around health care utilization, right? That's why I have been so passionate about these 1115, waivers, and wanting to make sure that people have access to healthy, food and to housing. I shared data earlier today about when people are disenrolled from snap. We now have direct data about what that does to their Medicaid spend, right? Someone with diabetes loses their SNAP for whatever reason, \$242 per member per month, or per I'm sorry, per month for that person. Increase if they have diabetes, then they lose their SNAP. So we know that those connections to healthy, food and all those things are essential. One of the things that to us is very compelling about the 1115 waiver for juvenile justice is that we know that without Medicaid coverage, we see that only 28% and this is Pennsylvania data in 2022 only 28% of reentrants on Medicaid had a primary care Visit during that first year after release, and instead, 18% of reentrants had three or more visits to the emergency room. That is really expensive, and so we are trying to chip away at exactly the types of things that you're talking about. If we can convert, you know, 7000 people to going to a primary care doctor instead of making three trips to the emergency room in that first year after release. That will turn into lower utilization. And we will see that again, I'm never going to sit here and tell you that Medicaid is going to go down, but it will turn into a slower rate of rise. And again, I'm going to show you this little graph. This is 2018 to 2023, this is national Medicaid spending. This is us right here. This red line. This is the MCO expenditure growth. Is the red line. And then this is the, you know, they do make a little bit of profit. That's the blue line. And so where I know that this program is expensive, and I know that the costs are going up, but we are truly we're doing everything we can to

keep these cost drivers as low as we can, and some of these new ways of thinking about how to approach Medicaid are, in my view, the tools that we need to help keep this rate of growth this Low.

Chairman Scott Martin (R-Lancaster) 1:41:38

So a couple questions staying on the Medicaid side of things, statistically speaking. I mean, obviously everyone will acknowledge we all know that what our fastest growing age demographic is, so naturally, the cost of long term care is going to be very expensive. Do we keep statistics? And this used to be an interesting policy debate years ago, prior to COVID, when you look at folks that are potentially non disabled, non caring for a dependent, non elderly, non pregnant, do we know how many of those are actually taking that on Medicaid for their insurance, but report \$0 is income.

Sec. Valerie Arkoosh 1:42:28

\$0 of income. I don't know. Where can we figure that out

Chairman Scott Martin (R-Lancaster) 1:42:32

we used to have, we used to,

Sec. Valerie Arkoosh 1:42:34

yeah, I mean, I think we could figure that out. We should have that because we have the eligibility data for every single one of these folks. So we could figure that out.

Chairman Scott Martin (R-Lancaster) 1:42:42

well. And I think reason why this is really important. And, you know, when we talk about program integrity and sustainability long term, put aside any discussion that anyone's having about Washington, DC, ultimately, at the end of the day, we know what we're faced with is we, you know, whether it's chip or we know we have a shrinking youth population in Pennsylvania. That's our future workforce, that's our future tax base. We have this growing elderly population and a lot of costs that come along with that, that if we find ways to have guard rails on the program to ensure that ultimately, no matter what, it's there for those who ultimately need it the most. And what my worry is is, and I think you may be able to relate to this, is that as time has gone by and more and more services have been applicable to Medicaid that they will provide some of which aren't even available to private a lot of private insurance, and I have a lot of examples of things that Medicaid covers that I have you know, people out there working who get insurance through the workplace, that they're told this isn't something that's covered, or we see reimbursement rates that can't keep up because we can't afford to increase the reimbursement rate so you have dentists saying it's not going to take Medicaid patients anymore if I'm getting back 29 or 30 cents on \$1 on the physical health side, as you're aware, you know, one of the

little dirty secrets of health care that I say about is hospitals do cost shifting. You know, I brought it, you know, brought it up earlier. If someone's paying, you know, 40% of what the true cost of care is at the hospital, on Medicaid. A lot of people don't realize that their private insurer might be paying 150% of the cost, and then wonder why their insurance rates keep going up every year. So I think it's important, you know, as we balance out what's covered in the program, is it adjusting with demographics? And do people have any skin in the game at all, especially those who are able to, you know, I reeled off a bunch of them before, you're non disabled, you're non elderly, you're non pregnant, you're not caring for a dependent. Yeah, you're on Medicaid. Should you and this, we used to call it community engagement concepts like, should you be searching for a job, or should you be required to get so many hours of job training experience or job applications? Should there be something in that? Because, as we all know, there's plenty of hard working Pennsylvanians out there that go to work every day to try to earn their benefits.

Sec. Valerie Arkoosh 1:45:17

Yeah, you know, Senator, I think that obviously work requirements is something that is under discussion in Washington. We I'm sure both heard that. And, you know, this is a conundrum, because it sounds great on the surface, and I, you know, I totally understand why people are talking about this, and work requirements would likely save the federal government money, but my concern here is the Commonwealth's budget, and what I can share with you is that back in 2018 during President Trump's first term, work requirements were also under consideration, and at that time,

Chairman Scott Martin (R-Lancaster) 1:45:54

for the record it was my bill, and the Governor vetoed it.

Sec. Valerie Arkoosh 1:45:56

Oh I didn't know that. See, they didn't tell me that. Anyway, I'm sorry about that for you, but, but when that was under consideration, and I think maybe I know why, the Governor vetoed it, with what I'm going to say next, the analysis was that there would need to be several 100 additional case workers on the state side in order to implement all the monitoring and the documentation of that work, you know, all of those pieces to actually ensure that someone's working and and I share that because two states, Arkansas and Georgia, have both tried to implement work requirements, and under President Trump's first term, they got 1115, waivers to Do it, and they both stepped away from it. It was too expensive for the states, and so it will save money for the federal government, I don't know. And from what I see here, it won't save money for the Commonwealth. And so it is something that we would have to really consider, again, you know, very deliberately. Because again, if the point would be to save money for the Commonwealth. I can't, you know all other policy considerations aside, I can't assure you that that would be the case. So something that we would have to work through

Chairman Scott Martin (R-Lancaster) 1:47:13

and maybe, and here we are. But would it be almost six, seven years later from the last time we debated those bills. Who knows where technology is at and our ability to do that

Sec. Valerie Arkoosh 1:47:23

so that, right? I mean, you know, I just want to be, yeah, absolutely, we need to do that analysis again.

Chairman Scott Martin (R-Lancaster) 1:47:28

Do you have a position? Obviously, I've worked with Senator Argall on a couple bills related to different programs, related to, you know, how we can cross reference, like death certificates to programs or income eligibility. And I believe it was quarterly, off the top of my head, where people who have lottery winnings or whatever it might be, do you have any What are your thoughts on that? And did your department come out against those bills?

Sec. Valerie Arkoosh 1:47:53

We routinely, in fact, Senator Argall was reading just bills for work we're already doing. So we have 12 databases.

Chairman Scott Martin (R-Lancaster) 1:48:01

It's not codified, It's not codified in law. The checking of death certificates the agency, if you're doing it, you're choosing to do it.

Sec. Valerie Arkoosh 1:48:08

Well, we do we there are 12 databases, lottery winnings, all of it that came up in the debate, yeah, check it all. And while those are important, and we do get, you know, data from L&I and social security, all of it, but it would depending upon how the work requirements were instituted, if it was that a person had to be working. And we see this, you know, in our TANF program, so we have some idea of how difficult this is to document that you have to be working a certain number of hours a month, or whatever the increment was. This is where the cost comes in. There is not a simple way to do that. You know, those databases that we check are more for just baseline eligibility requirements, and we do it regularly every time someone's redetermined. But it's not like saying, or is Valerie Arkoosh working 20 hours a week, right? It's a different none of those databases are that granular, so we would have to create that

Chairman Scott Martin (R-Lancaster) 1:49:09

well, it's definitely an interesting concept to explore, and maybe technology can help or whatnot. Certainly, if there's a will and something that we're committed to, we can try to find a way to that, and I think it's also fair again to hard working Pennsylvanians out there, and that's not, I'm not gonna have people with disabilities or dealing with anybody else, but if people are able to work, or could benefit from getting job training or staying in school, if you if you haven't completed your GED or anything, they figured we want to incentivize people to have not only skin in the game, but skin in helping themselves lift themselves up. And that's, I think that's a subject we should definitely keep looking

Sec. Valerie Arkoosh 1:49:55

that's why we're so invested in our training programs. Yeah, we really want to help lift people up

Chairman Scott Martin (R-Lancaster) 1:50:02

the going back to the 11th, 1115 waiver on January 26 2024 the department submitted the section 1115 demonstration waiver application titled bridges to success, keystones of health for Pennsylvania to the Centers for Medicare and Medicaid Services. Can you give us the status of this waiver?

Sec. Valerie Arkoosh 1:50:23

Yes. So as you recall, there were four components to that waiver. There was continuous eligibility of children and Medicaid from zero to six. There was the 1115 re entry component, which I just talked a little bit about. Can talk more about, if you wish, there was a food is medicine component to connect certain populations with diet sensitive conditions like diabetes, and also folks that are pregnant to healthy food, and then one on housing, to help unhoused individuals become housed, particularly individuals with serious mental illness or substance use disorder who are currently should get housed. They were all approved in December, and we have full federal spending authority as of today for all four of those waivers. So we could be sitting here asking you to implement all four of them, but being realistic that we're in a very tight budget year and we have some uncertainties about federal funding, we have chosen to just implement in a step wise fashion, instead of trying to do all of them at once. And we do hope to come back in future years with those other waivers. I think there's very good data that, again, going back to this, they help us keep that rate of spend as low as possible, you know, rising as low as possible as look here with the re entry program.

Chairman Scott Martin (R-Lancaster) 1:51:49

So the the Biden Administration approved it in December of 24 before leaving

Sec. Valerie Arkoosh 1:51:54

correct and we and also signed the federal contracts to give the Commonwealth federal spending authority in these waivers, all four of them.

Chairman Scott Martin (R-Lancaster) 1:52:03

Do you expect that the new Trump administration will review the waiver? or nother actions by the administration before they left.

Sec. Valerie Arkoosh 1:52:12

We don't know, it would not surprise me. As of right now, there has not been a rescinding of the waivers. That could change, obviously, and if that does change, obviously, we will withdraw this request to fund the 1115 re entry waiver, which will be really unfortunate. but that's the reality.

Chairman Scott Martin (R-Lancaster) 1:52:32

But a year ago, yourself and Secretary Munson also agreed that not to implement any of these components of the waiver without working with the legislature. Are you still committed to that?

Sec. Valerie Arkoosh 1:52:45

Absolutely. Yeah, we're here today and that we're, you know, again, trying to be good stewards and mindful of our current circumstances. We're just putting forward the one, you know, as I said, first of all, this was something that President Trump supported in his first term, and this also helps Department of Corrections, which I think is we all know they have some funding challenges as well. They've made good progress reducing recidivism, but we still have well over 50% of individuals that recidivate in the Commonwealth. And if we can get those folks on a path to success with things that have been shown to work, that helps our economy, that's more people in the workplace, right? It helps stabilize communities, gets dads back with their kids. So that's really our goal here.

Chairman Scott Martin (R-Lancaster) 1:53:24

And I think the National Association of Counties, c cap, the county commissioner Association, understanding, you know, people leaving the correctional setting in terms especially people who are receiving treatment, the last thing you want to do is send them cold turkey, full stop, no medication, and they're going out. And so I know a long time they were fighting to make sure there was ample supply, and getting the application for Medicaid going while they were still there. I think where, and I think we talked about this last time, I think where we got to be careful in terms of where, when we start talking about potentially paying rent for individuals for a certain period of time or buying furniture again. We have to be very considerate of you know, I can't speak for every single area of the state, but I know there's a huge affordable housing crisis going on in many places in Pennsylvania, and it's tough to tell

individuals who can't afford rent or can't afford to get a mortgage that. Sorry, you're just gonna keep living with your parents or something like that. But folks coming out of prison, we're gonna pay for I think that's it's something we have to be really concerned about.

Sec. Valerie Arkoosh 1:54:35

to be clear, that's not on the table today.

Chairman Scott Martin (R-Lancaster) 1:54:37

The Department of Corrections also said the same exact thing. So, you know, they said they were meant working on the medication side.

Sec. Valerie Arkoosh 1:54:44

And, you know, just one quick thing I do, you mentioned, and it reminded me I forgot to neglected to mention that we are asking that, assuming we go through with this, that you allow the Medicaid program to cover services for 90 days while an individual still incarcerated, just related to these waiver services that does require statutory change, and there's draft legislation, and that should be offset by cost imposed by the states that are currently paying for the health care or for counties, I believe what let them diversify their funding? They we can't. We have to. Department of Corrections can't decrease their spending as a result of this waiver, but it will allow them to grow other programs that also contribute to success on re entry, while we pay for some of these medications that are so costly for them right now. So it will do that. And then there is one more piece, which is a new federal rule that currently Medicaid is paused for just two years when a person enters incarceration, we have a new federal rule that Medicaid must be just permanently paused, rather than a time limit on it. That has nothing to do with this waiver. That's a new federal rule, and that does need to be in place by January 1 of 2026 so we're asking that you make that statutory change this year as well.

Chairman Scott Martin (R-Lancaster) 1:56:05

We appreciate you working with us on that as well too. I know you're certainly aware. You know we're grappling with an over \$3 billion structural deficit, given the fact that this is one of our largest cost drivers, and I think out of the entire increase proposed by the Governor, like 2 billion of the 3.6 billion that he's proposing to increase spending is related to DHS. And so obviously, our involvement in what we can do, what we can't do, and making sure numbers work is really important. And speaking of numbers, I - so we got in a little bit talking about children and youth in terms of of what some of the out years were in the historical rate of growth and spending in this area. Certainly, you know, when I came into the into the Senate, I think the Medicaid program was about 28,000,000,020 to eight and a half billion. That was around 2017 federal and state program, I believe now it's 40 billion between the two. through that time, And I'll use the 15-16, budget under Governor Wolf as an example. We've had 11 fiscal years, and over those 11 fiscal years, the average increase in the rate of growth of spending with

DHS is about and about \$965.6 million. currently, the way the budget has been presented to us And the required planning years is they're looking at including a 335 and a half million dollars in the out years, in terms of what that they expect that spend to be. How do we justify that? And I know by us at our numbers, we're looking at by the year 28-29 which it's hard to believe, it's already we're talking about the 25-26 budget. You know, we're looking at a \$27 billion budget hole. And out of that, the what we are saying is the underfund of the under projection of what the average expenditures are in in DHS, which we've all acknowledged through conversation today, what the rate of growth has been is about \$6.3 billion of that. How did those numbers even come to be when it's nowhere close to being? Was this what the budget Secretary wanted to do? We have him coming in tomorrow, but it's hard to believe that given the mandates we have to deal with, given the entitlement nature of these programs we have to deal with, that the rate of growth can be such a disparity over what they say it's going to be over the next four years.

Sec. Valerie Arkoosh 1:58:52

Well, and I'll let Gloria weigh in a minute she wants to, but I do think it's just important to remind everyone that this is the way, at least it's my understanding, that this is the way the Commonwealth has approached budgeting for a long time. You know, we come here every year. You appropriate money one year at a time. You have many opportunities, you know, in those out years, to sit with us and talk through each year's budget. And you know, I think historically, this is just the way that the Commonwealth requires, frankly, us to do our budgeting. Is there anything you want to add to that?

Gloria Gilligan 1:59:24

Yeah, I think what you'll see is, again, in those out year projections, there is growth in the mandatory spending program. So you'll see it in the long term care area. You'll see it in capitation and fee for service and mod and med care Part D. What you won't see is growth in the non mandatory spending those out years are held flat, which has been fairly consistent with how we've approached our out year projections since I've been in this role.

Chairman Scott Martin (R-Lancaster) 1:59:52

So you're saying that since you've been here, your projections have always been around \$335 million

Gloria Gilligan 1:59:58

I'm saying those non mandatory spending categories have generally been level funded.

Sec. Valerie Arkoosh 2:00:07

Like a good example is we have a lot of contracted union workers, right? And so those contracts run X number of years. And so we'll put that contract number that has already been negotiated into the out years, and then the next year, the year that the negotiation is going to happen, there's nothing. Because obviously we don't want to pre negotiate a contract. If we put any number in, then that becomes the minimum for the contract negotiation in somebody's mind, right? So there's things that we know are there, like will come, but we don't necessarily have them fully allocated for because we don't actually know what that number will be. So it's it's a complicated set of pieces to put together.

Chairman Scott Martin (R-Lancaster) 2:00:56

Well, I gotta say, and you'll appreciate you've done budgets before. It's a real backwards way of doing it, because usually you budget from a conservative standpoint, and if you don't spend as much, or you know where you happen to generate more revenue, then that's all to the positive, right? And here it seems like we're now engaged in budget practices where we're over inflating revenues and we're understating spending, which is the exact opposite of every little budgeting principle I've ever been taught my team, who's been doing this for decades, what they've been taught, and especially when everyone wants to agree to the fact that, yes, the Commonwealth's average rate of growth in spending has been 900 close to a billion dollars a year in DHS, but yet, it's normal that we want to keep putting \$335 million as the rate of growth, I think, personally, and I'm not laying at this your feet, I'll probably have more to say about this tomorrow with the budget secretary, but it's really being disingenuous to taxpayers on what the expectations are and what it puts us in terms of a fiscal position, or what it means to us in terms of unwinding things that we have done to stabilize the Commonwealth's budget. So, you know, I think it's would behoove all of us that I'd rather start at a place that we could move away, if we had to move away from it, it's because of good news, as opposed to going back and saying it's three times the amount, that's just not I mean, it's just not fair to the taxpayers. But you mentioned earlier that the legislature caused the \$1 billion increase in CHC for nursing home ratio, or nursing home rates, wouldn't the age, wouldn't the department have to increase these rates? And in fact, you guys are increasing the nursing home rates above what the legislature increased them to meet the federally mandated minimal nursing staffing requirements. Is that true?

Sec. Valerie Arkoosh 2:02:56

So what I was referring to is that in 2023 there was a legislated increase of 17 and a half percent for nursing facility rates, and I think part of that was for the wolf. Part of my green light was on, and part of that was tied to meeting the new regulations for Department of Health, but it is not what we propose the cost would be to implement those regulations. So the General Assembly did appropriate more funding than DHS requested for nursing facilities in that year, and then for the 2025 the rate increase that just took effect in January of 2025 that was also not requested by the department, not ask for that.

Chairman Scott Martin (R-Lancaster) 2:03:43

In closing, I like to close on a note. It's certainly been mentioned many times throughout many of our hearings, and of course, you're going to you'll know this today, especially in areas related to human services and hospitals, and that's a shortage in Pennsylvania's workforce. And Senator Kim here would be really upset if I didn't talk about the Grow PA program. But part of, part of I think, is we look at all the different ways we want to make this state more competitive and to grow it is to really and to really address Pennsylvania's workforce needs, certainly where allied health, behavioral health, counseling, drug and alcohol, whatever it might be. So the legislature passed in this be shocking, unanimously through both chambers last year, grow PA, where we really want to tell the kids, this is the high demand fields in Pennsylvania, and certainly a lot of things related to human services are part of that, and giving them grants if they get into those high demand fields. And every year they take that grant, it'll stay a grant if they agree to work in that high demand field, and, more importantly, agree to live in Pennsylvania. It's about to kick off here, probably the next couple weeks, where they're advertising it for the first time and again, it's for those high demand, critical areas. And I just encourage all the agencies, as we're working with our stakeholders and partners and everyone who's having problems finding people to fill these critically needed positions, to check it out. It's not only for in state kids getting the grant, but it's for out of state kids being the nation's second largest importer of out of state students that they can get in state rates if they follow the same program guidelines instead of out of state, which can be significant. So Senator Kim will be very happy that I brought this up. She was getting a little worried that I wouldn't bring this up, but I brought it up in every hearing, and it excites my colleagues very good. So

Sec. Valerie Arkoosh 2:05:41

we need those folks at our state centers and our state hospitals that will be all over it.

Chairman Scott Martin (R-Lancaster) 2:05:46

But you know, I definitely be, you know, is every administration that comes through on the federal level, we both realize there's, there's could be different rules of the game, different playing field, what you can apply for, what you need to cover. But I think just the where the demographics are going in Pennsylvania, we really like to work with your agency to ensure the sustain the standard sustainability of so many of these programs for those who truly need it. And so with that, I want to thank you all for being here today, and we are going to recess the Senate Appropriations Committee till 9:30am tomorrow, the last day of our budget hearings where we will have the budget. Secretary, so thank you.