

September 17, 2025

**Re: RCPA PRTF Proposed Regulations Cost Analysis
Proposed 5330 Psychiatric Residential Treatment Facility (PRTF) regulations as
developed by the Office of Mental Health & Substance Abuse Services (OMHSAS)**

Dear Commission,

With more than 400 members, the majority of who serve over one million Pennsylvanians annually, Rehabilitation and Community Providers Association (RCPA) is among the largest and most diverse state health and human services trade associations in the nation. RCPA advocates for those in need, works to advance effective state and federal public policies, serves as a forum for the exchange of information and experience, and provides professional support to members. RCPA provider members offer mental health, substance use disorder, intellectual and developmental disabilities, children and youth, criminal and juvenile justice, brain injury, medical and pediatric rehabilitation, and physical disabilities and aging services, across all settings and levels of care.

As the State and stakeholder community continue to partner on the Psychiatric Rehabilitation Treatment Facility (PRTF) regulation promulgation process, we want to thank OMHSAS for the recent PRTF forum that gave an overview of the changes the Department has made. The forum was informative and collaborative and set a framework for ongoing regulatory development.

One of the areas that the providers and stakeholder community have shared are the costs associated with the implementation, though many of the recent changes to the proposed regulations did have cost reductions or neutrality. RCPA has completed a financial analysis that focuses on the implementation costs in key target areas; staffing, accreditation, and non-allowable costs. The analysis represents input from a significant number of current PRTF programs that represent a cross section of providers from a diverse geographic and organizational size perspective.

I. Staffing Overview

One of the most critical fiscal impacts of the proposed regulations is the staffing requirements. The model that the regulations propose represent a workforce structure that PRTF providers have been unable to meet for more than a decade, and would be near impossible in the current workforce climate.

The estimated salaries provided by OMHSAS in the PRTF proposed regulations do not meet the realistic salaries providers are paying their employees. The human services field is already amid a workforce crisis, so competitive wages and benefits are required to acquire and retain the staff to treat the Commonwealth's most vulnerable children. Many providers are paying nearly 30% over the OMHSAS estimated salary for some positions, and have to factor in the additional cost of the benefits that their employees receive.

Additionally, the salaries reported by the agencies are what they are currently paying, and do not account for the additional clinical staff needed to operate a PRTF. The State has estimated a total staff cost of \$7M across the program in the first year. With 33 programs projected to fall under the regulations, that would have each organization averaging a staff cost increase of approximately \$210K. Our analysis calculates that staffing expenditure to be close to \$420K per agency. Without fully understanding the State's staffing cost methodology, our analysis projects nearly double the cost per organization. The proposed 24/7 onsite clinical hours alone will cost between \$300,000 to \$500,000 per provider.

Medical Director/Psychiatrist

The OMHSAS estimate for the salary of a Medical Director is \$289,300. Salaries for comparable positions from PRTF providers vary based on geographical location and experience. Our analysis indicates the average salary for entry level psychiatrists is \$291,867, which is higher than the OMHSAS estimate for a Medical Director. Realistically, a senior level psychiatrist would assume the role of Medical Director, with an average salary of \$333,037, 14.27% higher than the salary noted in the proposed regulations.

Senior Level Psychiatrist		Entry Level Psychiatrist	
Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate
\$334,520	+14.5%	\$292,022	+0.94%
\$332,737	+13.9%	\$291,559	+0.78%
\$332,004	+13.7%	\$290,219	+0.32%

Mental Health Professional

The OMHSAS estimated salary for a Mental Health Professional is \$51,500. The proposed regulations outline the differing levels of education for a Mental Health Professional, including the role as a licensed physician, psychologist, marriage and family counselor, professional counselor, clinical social worker, or a social worker or behavior specialist with a graduate degree. With such a wide variety in positions and levels of education, it is expected that there would also be a wide range in salaries. The estimated salary of \$51,500 could be appropriate for some, but is not a realistic salary for physicians or other individuals with advanced degrees.

Master's Level Mental Health Counselor		Licensed Mental Health Therapist		Licensed Clinical Social Worker		Unspecified Mental Health Professional	
Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate
\$51,792	+0.57%	\$57,901	+11.7%	\$81,234	+44.8%	\$50,000	-2.96%
\$51,853	+0.69%	\$57,999	+11.8%	\$81,414	+45.0%	\$66,810	+25.8%
\$54,484	+5.6%	\$60,919	+16.8%	\$84,865	+48.9%		

Registered Nurse

The OMHSAS estimated salary for a Registered Nurse (RN) is \$66,500, but as previously mentioned, a realistic salary for an RN can vary depending on location and experience. PRTF providers pay significantly higher salaries than the proposed estimate, even for their entry level RNs. No agencies in the analysis reported an RN salary at or below the OMHSAS estimate, regardless of geography or experience.

Senior Level Registered Nurse		Entry Level Registered Nurse	
Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate
\$89,624	+29.6%	\$75,708	+12.9%
\$88,666	+28.6%	\$75,012	+12.0%
\$91,586	+31.7%	\$78,311	+16.3%
		\$74,699	+11.6%

Other Staff Positions

Similar to the other positions, there are discrepancies in the OMHSAS estimated salaries and the actual salaries that providers are currently paying for these positions. Again, there are differences in pay based on location and experience, which cause the actual salary to be higher than the estimate. The OMHSAS estimated salary aligns well with typical salaries for entry level individuals in their roles, but do not account for those with higher levels of experience or advanced degrees or licensure.

Senior Level Licensed Practical Nurse		Entry Level Licensed Practical Nurse		Senior Level Physician's Assistant		Entry Level Physician's Assistant		Nurse Practitioner	
Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate	Salary	% Difference from OMHSAS Estimate
\$54,865	+15.2%	\$46,693	-0.87%	\$129,161	+16.0%	\$111,936	+1.8%	\$125,634	+4.1%
\$54,057	+13.7%	\$45,954	-2.4%	\$127,656	+14.9%	\$110,638	+0.58%	\$124,181	+3.0%
\$57,436	+19.8%	\$48,857	+3.7%	\$129,393	+16.2%	\$112,833	+2.5%	\$126,038	+4.5%

II. Accreditation

OMHSAS estimates that it will cost providers up to \$10,000 for initial PRTF accreditation, which aligns with the cost that providers expect to incur. However, this does not account for the indirect costs of accreditation, which are significantly higher. PRTF providers have invested millions in costs associated with accreditation, such as:

- Costs associated with physical plant requirements (e.g., safety and security measures);
- Reducing caseload ratios for staff may require hiring more clinical staff; and
- Financial investments associated with administrative activities of auditing and re-accreditation.

While the actual cost of accreditation may seem insignificant in the operation of these facilities, providers have had to invest millions into facility upgrades in order to be in compliance with accreditation standards. It is crucial to understand all operating costs when reviewing the financial impacts of the proposed regulations.

III. Non-allowable Costs

PRTF providers are also concerned with the non-allowable costs that are outlined in the proposed regulations. Although not all of the associated costs will be new, they still impose a significant financial burden on providers running an already expensive program.

Some of the costs that the regulations deem non-allowable, such as access to season-appropriate clothing, are basic living necessities. Access to simple items such as winter coats and boots is essential, but can become costly, and providers should not be forced to incur these expenses. Other non-allowable costs are directly correlated to the child's treatment, such as transportation and living costs associated with onsite visits from parents, guardians, and caregivers. Parent involvement can be critical a part of a child's treatment, and should also be considered allowable costs.

Closing Summary

The State provided an initial financial overview of implementation of the PRTF regulations, but there are several current developments that present potential barriers to the fiscal plan. With the pending changes in Federal Medicaid, it is estimated that more than 300,000 Pennsylvanians, including 100,000 children, will lose Medicaid coverage; a measure that will certainly impact the projected Medicaid and state funds directed towards implementation.

Additionally, the State has yet to pass a budget this year, so there may be a shortfall in what is calculated in Medicaid, State, and County funds to cover the costs of the regulations. The cost projections for the proposed regulations were developed during the 2024 calendar year, and as this promulgation process continues, will these current rates reflect the cost associated with an implementation years later? Lastly, it is outlined several times in the proposed regulations that if and when provider cost outpaces their current payment rates, they can submit cost reports for additional reimbursement or renegotiate their Medicaid contracts with BH-MCOs. Neither of these processes have historically provided fiscal relief, as rates and reimbursements have moved only fractionally over the last decade, despite frequent requests for rate increases.

OMHSAS, as part of the regulations, intended for providers to submit cost reports 90 days after promulgation to review incurred costs of care. Perhaps this strategy would further inform the department and Commonwealth on future budgeting needs. The providers and possibly payor systems may not support a process that does not fully take into consideration the fiscal and workforce challenges impacting the child welfare system. RCPA and its members would have a difficult time supporting the passage of these PRTF standards without a fiscal model that would ensure the short- and long-term sustainability of the programs. We urge the State with or without guidance of the IRRC to conduct a cost analysis with all the projected PRTF providers at the table. This would ensure an inclusive review and consideration of all costs required to implement the regulations for the Commonwealth, providers, and payor stakeholders.

Thank you for the Commission's review of our comments.

Sincerely,

A handwritten signature in black ink that reads "Emma Sharp". The signature is fluid and cursive, with a large initial "E" and a stylized "S".

Emma Sharp
RCPA Policy Associate