

January 14, 2026

The Honorable Josh Shapiro  
Office of the Governor  
Commonwealth of Pennsylvania  
508 Main Capitol  
Harrisburg, PA 17120

Dear Governor Shapiro:

The Pennsylvania Provider Advocacy Coalition represents a comprehensive group of health provider organizations working to advance policies that strengthen coverage and improve health outcomes for Pennsylvanians. We serve as a resource for policymakers on access to care priorities, including Medicaid and the Children's Health Insurance Program (CHIP).

As you develop and identify priorities for the 2026–2027 budget proposal, PAPAC urges your administration to rely on the coalition as a partner as you weigh difficult decisions that will shape our commonwealth health care network for many years to come.

Pennsylvania is already facing the impact of major health care decisions on the federal level:

- Nearly 38,000 Pennsylvanians have opted not to renew their Pennie coverage.
- An estimated 150,000 total Pennsylvanians will likely lose coverage as the Affordable Care Act Subsidies expired at the end of 2025.
- Pennsylvanians are expected to pay 82 percent higher on average, with many facing premiums that will double or more.

These losses in coverage will create significant downstream pressure across the full continuum of care, including emergency departments, primary care, behavioral health, long-term care, and community-based providers.

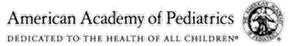
At the same time, the federal cap on Medicaid state-directed payments will force billions in reductions to Pennsylvania's health care system over the next several years. The consequences will be unavoidable: strained capacity, diminishing access, widening disparities for Pennsylvania's most vulnerable residents, and lower economic growth as care deserts expand.

Pennsylvania is particularly vulnerable to these federal reductions. Our health care system has been chronically underfunded, leaving providers across the continuum of care operating within one of the most challenged health care workforce environments nationally:



#### **Pennsylvania Chapter**

INCORPORATED IN PENNSYLVANIA



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- Registered Nurse (RN) and Respiratory Therapist (RT) vacancy rates remain at double digit percentages.
- Behavioral health providers face vacancy rates above 20 percent.
- In a recent survey, 53 percent of Pennsylvania nursing homes reported 11 or more direct care vacancies.
- PA needs nearly 2,000 dentists and 6,000 dental hygienists, with the number of Health Professional Shortage Area oral health provider shortages doubling the count of physical and behavioral health providers combined.
- Nearly one in five residents are over age 65 as the commonwealth continues to lose population, shrinking the health care labor force.
- Providers across the continuum are navigating a challenging liability climate, rapidly rising drug costs, and outdated and misaligned regulations that yield unsustainable increases in compliance costs and limit access to care. These impacts further strain operating margins and threaten the stability of essential services and access to care for Pennsylvanians throughout the state.

As Pennsylvania prepares to confront these challenges, the coalition respectfully requests a collective seat at the table as decisions are made about navigating and mitigating these losses. Our organizations have deep operational insight into how reductions will affect access across every part of the health care system. We welcome the opportunity to offer that perspective proactively rather than after cuts take effect.

These circumstances require difficult and unprecedented choices. While the financial impact cannot be fully avoided, thoughtful collaboration can help protect access to care, preserve critical services, and avoid preventable harm to patients, care recipients, and communities. To support this work, the coalition can designate a liaison to your administration to coordinate communication and ensure timely, informed dialogue.

Thank you for your consideration. We stand ready to partner with you during this pivotal moment for health care in Pennsylvania.

Sincerely,

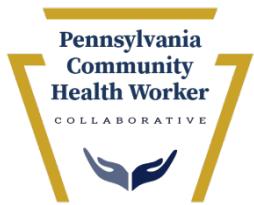
Association for Professional Acupuncture in Pennsylvania

Health Federation of Philadelphia

LeadingAge PA

PA Coalition for Oral Health

Pediatric Palliative Care Coalition



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Pennsylvania Academy of Audiology

Pennsylvania Academy of Dermatology and Dermatologic Surgery

Pennsylvania Academy of Family Physicians

Pennsylvania Advocates and Resources for Autism and Intellectual Disabilities

Pennsylvania Affiliate for the American College of Nurse-Midwives

Pennsylvania Ambulatory Surgery Association

Pennsylvania Area Health Education Center

Pennsylvania Association of Community Health Centers

Pennsylvania Association of Home and Community Based Services

Providers

Pennsylvania Association of Marriage and Family Therapy

Pennsylvania Association of Nurse Anesthetists

Pennsylvania Chapter of the American Academy of Pediatrics

Pennsylvania Chapter of the American College of Physicians

Pennsylvania Charitable Healthcare Coalition

Pennsylvania Chiropractic Association

Pennsylvania Coalition of Nurse Practitioners

Pennsylvania College of Emergency Physicians

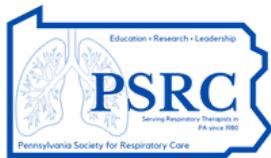
Pennsylvania Community Health Worker Collaborative

Pennsylvania Counseling Association

Pennsylvania Homecare Association

Pennsylvania Medical Society

Pennsylvania Music Therapy Task Force



[The Urban Health Care Coalition of Pennsylvania](#)

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Pennsylvania Optometric Association

Pennsylvania Organization of Nurse Leaders

Pennsylvania Psychiatric Society

Pennsylvania Psychological Association

Pennsylvania Rural Health Association

Pennsylvania Section of the American College of Obstetricians and Gynecologists

Pennsylvania Society for Respiratory Care

Pennsylvania Society of Health-System Pharmacists

Pennsylvania Society of Physician Associates

Pennsylvania Speech-Language-Hearing Association

Pennsylvania Osteopathic Medical Association

Rehabilitation & Community Providers Association

Safety-Net Association of Pennsylvania

The Hospital and Healthsystem Association of Pennsylvania

Urban Health Care Coalition