



Kristin Ahrens

DEPUTY SECRETARY, OFFICE OF
DEVELOPMENTAL PROGRAMS, PA
DEPARTMENT OF HUMAN SERVICES



Upcoming TPA Meetings

Membership Meetings

- January 28, TPA Semi-Annual Meeting
- February 25, PA Budget Proposal
- March 25, Tentative Return to Regional Learning Alliance

Workgroups & Roundtables

- AE-SCO-Provider Roundtable, December 1
- Financial Workgroup, TBD Following Pub. of ID/A Rates

The Purchasing Edge, TBD Winter 2022



TPA Updates

1. COVID-19 Vaccination Mandate Roundtable Summary and Latest News
2. Equal Pay for Equal Work Advocacy Campaign
3. TPA Meeting with PA Budget Secretary Gregory Thall, Deputy Chief of Staff Tara Piechowicz, Special Assistant to the Budget Secretary Heather Hallman



Meeting Materials

1. TPA COVID-19 Vaccination Roundtable Fact Sheet
2. Medicaid.Gov Site PA ARPA Plan Approval Status
November 18, 2021
3. Public Notice Waiver Amendments, Rates, and Rate
Setting Methodology
4. PA Code Title 55 Chapter 6100.571 Fee Schedule
Rates
5. TPA Comments to Proposed Waiver Amendments
and Rate Setting Methodology

Vaccination Mandates

Prevailing Federal Guidelines



Executive Order 14042 Ensuring Adequate COVID Safety Protocols for **Federal Contractors (and Subcontractors)**

- **Effects Federal Contractors and Subcontractors. Does not include HCBS Provider Agreements.**
- **Links to [Executive Order 14042](#) and [Federal Contractor FAQs](#)**

CMS Interim Final Rule U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services (CMS), Medicare and Medicaid Programs; Omnibus COVID-19 **Health Care Staff** Vaccination, Interim Final Rule

- **Includes Medicaid Approved Facilities such as ICF/ID. Does NOT include HCBS or Group Homes.**
- **Links to [CMS Rule for Health Care Staff](#) and [CMS FAQs](#)**

OSHA Emergency Temporary Standard U.S. Department of Labor, Occupational Safety and Health Administration (OSHA), Vaccination and Testing; Emergency Temporary Standard (ETS) for **Employers with 100 or More Employees**, Interim Final Rule

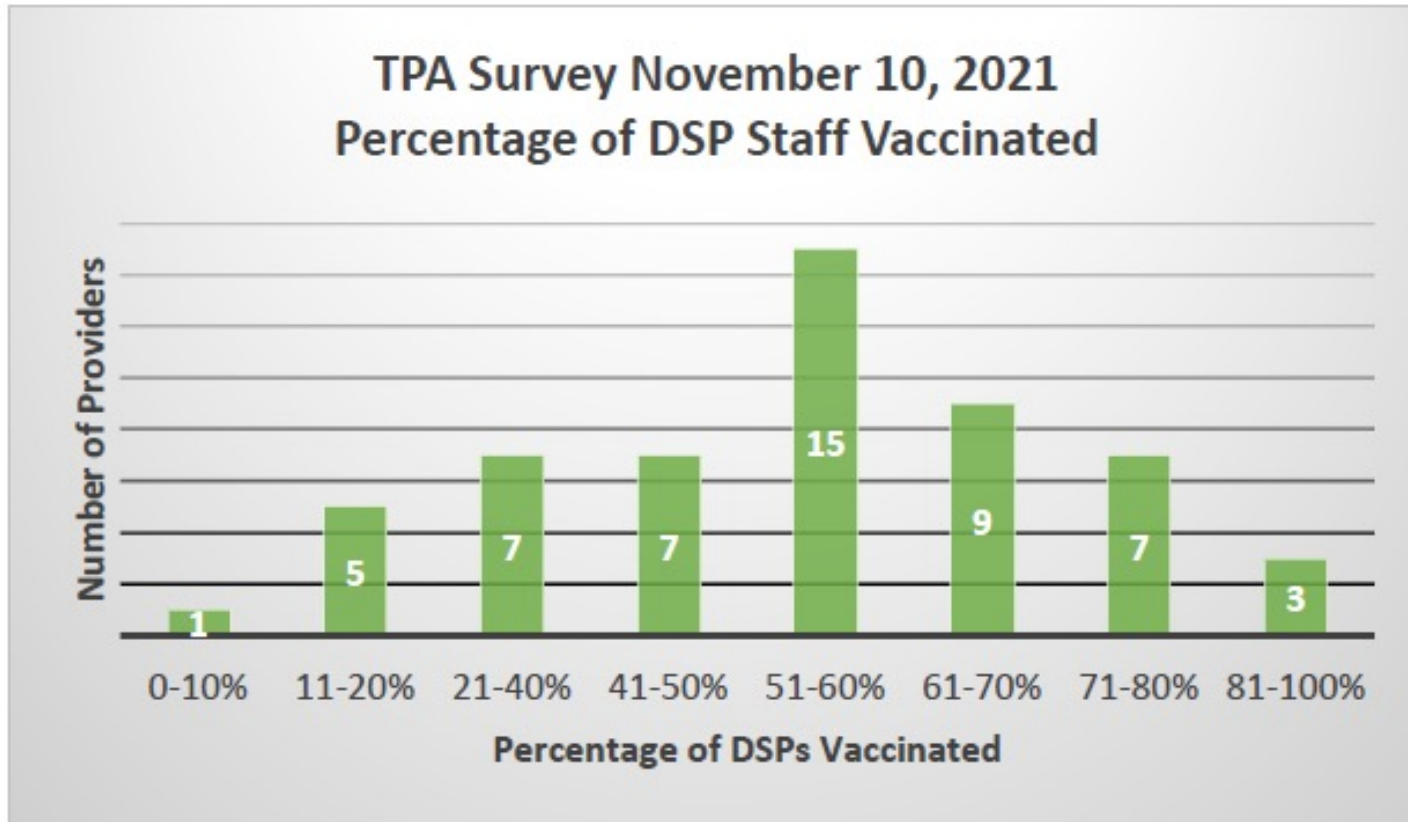
Applies to ALL Employers with 100 or more Employees. Standards referenced above take precedence if applicable.

Policy Option 1, Paragraph (d)(1): Vaccination Mandate for All Employees with Allowable Exemptions and Accommodations

Policy Option 2, Paragraph (d)(2): Employee Option to be Vaccinated with Requirements for Weekly COVID-19 Testing and Face Coverings

Links to [OSHA ETS](#) and [OSHA FAQs](#)




TPA Member Survey Vaccination Status of DSPs



PA American Rescue Plan Approval Status



- **States with conditional approvals have been fully approved to claim the HCBS FMAP increase retroactively to April 1, 2021, conditional upon the state’s continued compliance with program requirements as stated in [SMDL #21-003](#).** States with conditional approval of their spending plans can begin implementing all of the activities included in the spending plan.
- **States that have received a request for information did not include all required information in the state’s initial spending plan and narrative.** States will need to revise and resubmit their spending plan and narrative before CMS can complete its review. Once partially or conditionally approved, states will be able to claim the HCBS FMAP increase retroactively to April 1, 2021, as described above.

State	Spending Plan	Approval to Claim the FMAP Increase	Partial Approval	Conditional Approval	CMS Letters to States
PA	06/14/2021  Pennsylvania Initial Spending Plan (PDF, 1.31 MB)	Yes	✓		 PA ARP 9817 Partial 07-23-21 (PDF, 353.2 KB), (MP3, 6.93 MB)  PA ARP 9817 Addendum 02-02-21 (PDF, 160.75 KB)

PA FISCAL CODE: BUDGET STABILIZATION RESERVE FUND



SUBARTICLE A

BUDGET STABILIZATION RESERVE FUND

(Subart. added June 29, 2002, P.L.614, No.91)

Section 1701-A. Establishment of Budget Stabilization Reserve Fund.

There is established a special fund to be known as the Budget Stabilization Reserve Fund. (1701-A added June 29, 2002, P.L.614, No.91) Section 1702-A. Funding.(a) Intent.--It is hereby declared as the intent and goal of the General Assembly to create a stabilization reserve in an eventual amount of 6% of the revenues of the General Fund of the Commonwealth.

PA FISCAL CODE: BUDGET STABILIZATION RESERVE FUND



Section 1703-A. Disposition of Budget Stabilization Reserve Fund.

(a) Purpose.--It is the intent of the General Assembly that:

(1) Money from the Budget Stabilization Reserve Fund be appropriated only when emergencies involving the health, safety or welfare of the residents of this Commonwealth or downturns in the economy resulting in significant unanticipated revenue shortfalls cannot be dealt with through the normal budget process.

(2) Money in the Budget Stabilization Reserve Fund shall not be used to begin new programs but to provide for the continuation of vital public programs in danger of being eliminated or severely reduced due to financial problems resulting from the economy.

PA FISCAL CODE: COVID-19 RESPONSE RESTRICTED ACCOUNT



SUBARTICLE B

COVID-19 RESPONSE RESTRICTED ACCOUNT

(Subart. added May 29, 2020, P.L.186, No.24)

Section 110-C. COVID-19 Response Restricted Account.

The COVID-19 Response Restricted Account is established in the General Fund as a restricted account. Money received by the Commonwealth from the Federal Government under Division A of Title V of the CARES Act shall be deposited into the account. All money in the account shall be appropriated by the General Assembly.

Treasurer Garrity Announces Transfer of \$2.6 billion to the Rainy Day Fund

\$2.6 billion has been added to the Budget Stabilization Reserve Fund

Harrisburg, PA - Treasurer Stacy Garrity today announced that \$2.6 billion has been added to Pennsylvania's Rainy Day Fund. The transfer, officially made yesterday, was authorized earlier this year as part of the \$40.8 billion state budget for Fiscal Year 2021-22.

"As Pennsylvania continues to recover from the economic impact of the pandemic, it's important to plan for the future by having a strong Rainy Day Fund. Having enough funding in reserve can alleviate pressure to cut discretionary program spending – or raise taxes – during an economic downturn. I commend the General Assembly for passing a budget that significantly bolstered our Rainy Day Fund."

– Pennsylvania State Treasurer, Stacy Garrity

The Rainy Day Fund, formally known as the Budget Stabilization Reserve Fund, serves as a safety net for the commonwealth.

The new balance of the Rainy Day Fund is nearly \$2.9 billion. At that level, the fund is able to cover General Fund expenses for more than 25 days.

American Rescue Plan Act Unallocated Funds (Billions)



Appropriated ARPA Funds		7.3	
Disbursed	.8		
General Fund	3.8		
Unallocated ARPA Funds		2.7	
Rainy Day Fund		2.6	
Total COVID Restricted plus Rainy Day Funds			5.3



INDEPENDENT FISCAL OFFICE

November 15, 2021

The Honorable Members of the Pennsylvania General Assembly:

Section 604-B (a)(2) of the Administrative Code of 1929 specifies that the Independent Fiscal Office (IFO) shall "provide an assessment of the state's current fiscal condition and a projection of what the fiscal condition will be during the next five years. The assessment shall take into account the state of the economy, demographics, revenues and expenditures." In fulfillment of that obligation, the IFO submits this report to the residents of the Commonwealth and members of the General Assembly. In accordance with the mission of the office, this report does not make any policy recommendations.

The data and projections presented in this report are from various sources. Economic projections for Pennsylvania are from the IFO, while projections for the U.S. are from the Congressional Budget Office or IHS Markit. Demographic projections are from the IFO based on tabulations from the 2020 Population Estimates by the U.S. Census Bureau and data supplied by the Pennsylvania Department of Health. Historical revenue and expenditure data are from the *Governor's Executive Budget*, the state accounting system and various departmental reports. All revenue and expenditure projections are from the IFO. Other data sources are noted in the relevant sections of this report.

The office would like to thank all of the individuals, agencies and organizations that assisted in the production of this report. Questions and comments can be submitted to contact@ifo.state.pa.us.

Sincerely,

A handwritten signature in blue ink that reads "Matthew J. Knittel".

Dr. Matthew J. Knittel
Director

November 2021

Pennsylvania

ECONOMIC AND BUDGET OUTLOOK

Fiscal Years 2021-22 to 2026-27

General Fund Financial Statement

Fiscal Year	20-21	21-22	22-23	23-24	24-25	25-26	26-27
Beginning Balance ¹	-\$2,715	\$0	--	--	--	--	--
Current Year Revenues	40,392	44,173	\$42,875	\$41,847	\$43,144	\$44,587	\$46,107
Less Refund Reserve	<u>-1,262</u>	<u>-1,325</u>	<u>-1,300</u>	<u>-1,325</u>	<u>-1,350</u>	<u>-1,375</u>	<u>-1,400</u>
Net Revenue	39,130	42,848	41,575	40,522	41,794	43,212	44,707
State Expenditures ²	-34,013	-38,589	-41,320	-42,513	-43,878	-45,135	-46,534
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Current Year Balance	2,402	4,259	255	-1,991	-2,083	-1,923	-1,828
Reduced Spending ³	0	763	0	0	0	0	0
Adjustment for Lapses ⁴	-2,402	110	110	110	110	110	110
Preliminary Ending Balance	0	5,132	365	-1,881	-1,973	-1,813	-1,718

Note: Millions of dollars.

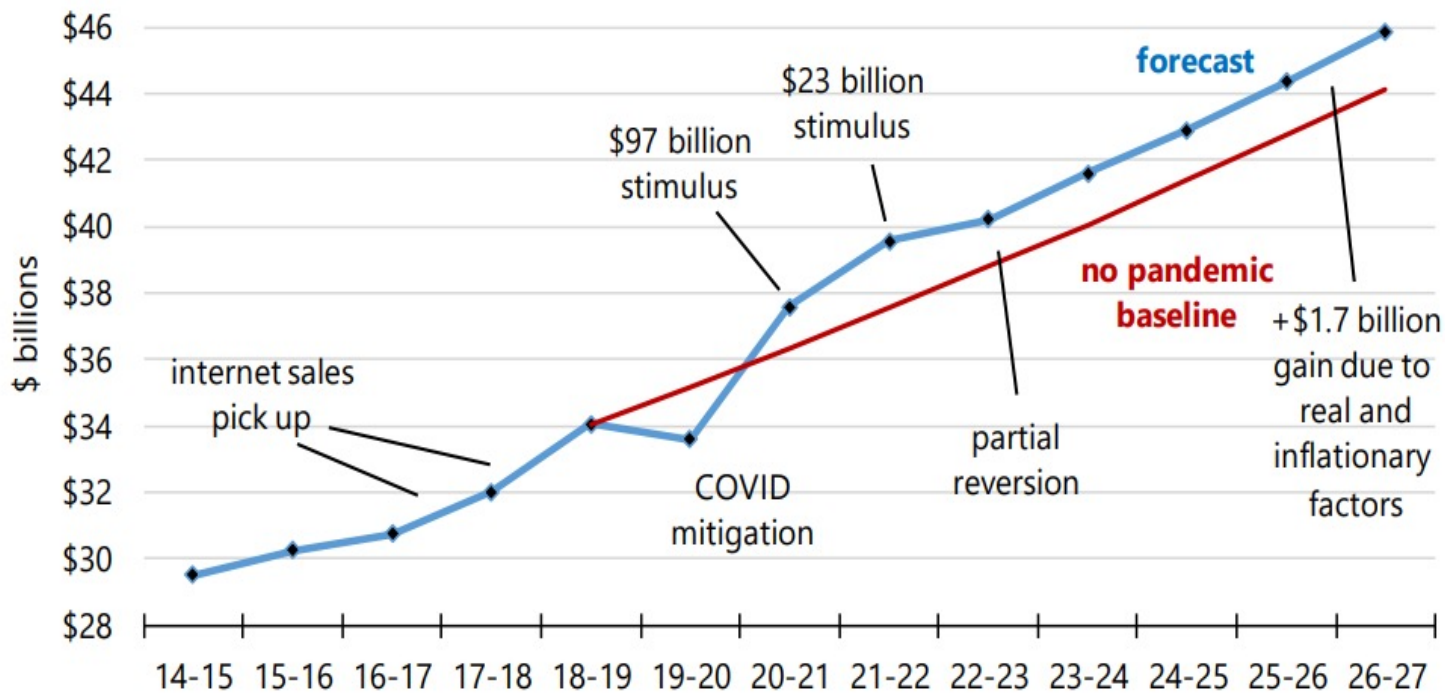
1 Beginning balance omitted for FY 22-23 and thereafter.

2 Based on appropriations. Includes current year lapses and approved supplemental appropriations.

3 Reflects the administration's recommended changes to enacted General Fund appropriations.

4 Prior year lapses and actual transfers to the Budget Stabilization Reserve Fund.

General Fund Tax Revenues: A Permanent COVID Gain



Note: Forecast line controls for revenue shifts in FY 19-20 and FY 20-21.

Forecast
includes permanent
real and inflationary
gains

No Pandemic Baseline
assumes normal growth
from FY 18-19
~3.3% per annum

TPA Survey Data vs. State Center Wages July 2021



Workforce Data	State Centers June 2021	TPA Workforce Survey July 2021	Variance
Starting Hourly Wage	14.29 (16.10 at 6 months)	12.94	(1.35)
Average Hourly Wage	18.66	14.38	(4.28)
Vacancy Factor	16.8%	23.3%	1.4x Higher
Turnover Rate	13.9%	37.8%	2.7x Higher

Cost to Fund Equal Pay For Equal Work



Number of Positions/Hours				
	DSPs	Percentage	Hrs/Yr	Total Hrs
Full-Time	44,000	80%	2,080	91,520,000
Part-Time	11,000	20%	1,040	11,440,000
Total	55,000	100%		102,960,000

Living Wage	\$	18.66	
Average DSP Wage	\$	14.38	
Hourly Wage Increase	\$	4.28	
DSP Hours - Statewide		102,960,000	
Additional Wage Cost	\$	440,668,800	
Benefit Cost/ERE	\$	66,100,320	
Overtime Cost (Net)	\$	44,066,880	
Total Cost			\$550,836,000

ACTION CENTER

Urge PA Leaders to Support Equal Pay for Equal Work for Community Direct Support Professionals

American Rescue Plan
EQUAL PAY FOR EQUAL WORK

INCREASE DSP WAGES FOR COMMUNITY INTELLECTUAL DISABILITY AND AUTISM (ID/A) SERVICES

Pennsylvania Pays its own workers in the State Centers providing ID/A services \$4.28/hour or 30% MORE THAN Community DSPs.

Workforce Comparisons from Current Data	Residential Services Aides, PA State Centers (June 2021)	Community Direct Support Professionals (July 2021)	Variance
Average Hourly Wage	\$18.66	\$14.38	\$(4.28)
Vacancy Factor	16.8%	23.3%	1.4X Higher
Turnover Rate	13.9%	37.8%	2.7X Higher

- 6,500 Pennsylvanians with ID/A have lost Day Services during the pandemic and have not returned due to the current staffing crisis.
- This represents a 30% Decrease in service capacity.
- The community ID/A system is collapsing, and investment is needed immediately to compensate community DSPs at the same level as their state-worker counterparts.
- \$541 million is needed to close this gap.
- Funds are available NOW from the American Rescue Plan.

PLEASE ACT TODAY!

“I rely on staff for pretty much my total care, because I can't dress myself. I can't get myself up. I use a Hoyer lift and all that stuff. And without my DSPs, I wouldn't be able to go out like everyone else...I even have to plan my daily bathroom needs around when staff are available, which of course doesn't make my medical professionals happy, because it makes me sick, and I can't do what I need to do to live.”

— Person Served with an ID



Compose Your Message

- Governor
- State Senator
- State Representative

Subject

Release Rainy Day Funds to Increase DSP Com

Message Body

Please add your own story about this issue to personalize your message

Under our Equal Pay for Equal Work campaign, Direct Support Professionals (DSPs) supporting 58,000 people with intellectual disabilities and autism (ID/A) across the state SHOULD NOT earn 30%

Enter Your Info

Your Information

Prefix * First Name * Last Name *

Email *

Home Information

Street Address *

ZIP Code * Enter Zip for City and State

- Send me email alerts
- Remember me

Send Message

ACTION CENTER

Urge PA Leaders to Support Equal Pay for Equal Work for Community Direct Support Professionals

Campaign Overview

Total Messages Sent

1,159

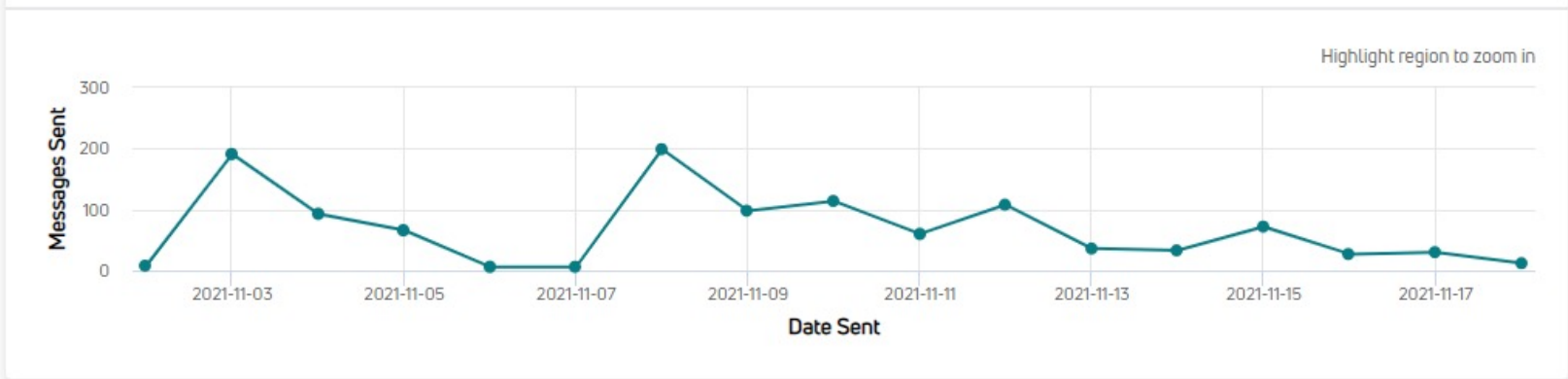
Advocate Types

New Advocates:	347
Returning Advocates:	0
Total:	347

Top Recipients

Name	Messages
Governor Tom Wolf (D-PA-000)	387
Senator Michele Brooks (R-PA-050)	46
Senator Devlin Robinson (R-PA-037)	43
Representative Mark Longietti (D-PA-007)	41
Senator James Brewster (D-PA-045)	35

Messages Sent Over Time



Equal Pay For Equal Work Advocacy Goal



Fiscal Impact

It is anticipated that there will be a total net savings to the Commonwealth in Fiscal Year (FY) 2021-2022 of \$3.222 million (\$1.525 million in State funds). The net fiscal impact for FY 2021-2022 to Intellectual Disabilities—Community Waiver Program is a savings of \$2.633 million (\$1.246 million in State funds) and a savings of \$0.589 million (\$0.279 million in State funds) to Medical Assistance—Capitation.

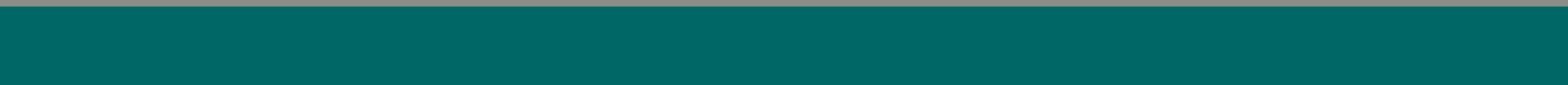
In FY 2022-2023 and subsequent years, it is anticipated there will be additional net costs to the Commonwealth of \$3.936 million (\$1.871 million in State funds). The net fiscal impact for FY 2022-2023 and subsequent years to Intellectual Disabilities—Community Waiver Program is an additional cost of \$8.651 million (\$4.108 million in State funds) and savings of \$4.715 million (\$2.237 million in State funds) to Medical Assistance—Capitation.

Fiscal Note: 14-NOT-1466. (1) General Fund;

(7) Intellectual Disabilities—Community Waiver Program; (2) Implementing Year 2021-22 is -\$1,246,000; (3) 1st Succeeding Year 2022-23 through 5th Succeeding Year 2026-27 are \$4,108,000; (4) 2020-21 Program—\$1,621,000,000; 2019-20 Program—\$1,664,000,000; 2018-19 Program—\$1,643,000,000;



Questions & Discussion





Thank You!

HAPPY THANKSGIVING!

