

PA's Crumbling Health and Human Services Programs Are in Crisis Mode

With well over 360 members, the majority of who serve over 1 million Pennsylvanians annually, the Rehabilitation and Community Providers Association (RCPA) is among the largest and most diverse state health and human services trade associations in the nation. RCPA provider members offer mental health, drug and alcohol, intellectual and developmental disabilities, children's, brain injury, medical rehabilitation, and physical disabilities and aging services, through all settings and levels of care. Visit www.paproviders.org for more information.

RCPA's 2022/23 Budget Recommendations:

Behavioral Health/Intellectual Disabilities Workforce Funding

RCPA is requesting the General Assembly to release unspent American Rescue Plan (ARP) federal stimulus dollars to help alleviate the workforce crisis behavioral health (BH) and intellectual disability (IDD) providers are facing in recruiting and retaining direct care workers and licensed professionals.

Research from the National Council for Mental Wellbeing (October 2021) found that, while there has been a 62% reduction in BH provider service capacity, there has also been:

- An 83% increase in mental health treatment demand;
- A 78% increase in crisis services demand; and
- A 69% increase in drug and alcohol (D&A) treatment demand.

RCPA data from late 2021 shows:

- 50% of IDD and BH providers in PA have reduced service capacity;
- The open position vacancy rate was at 24%; and
- The public safety net providers struggle to compete for wages with the private sector.

Funding needs to be sufficient to continue efforts in better supporting therapists, counselors, case managers, peers, human services professionals, and direct support professionals (DSPs).

RCPA respectfully requests the General Assembly release the ARPA funds as follows:

- Release **\$75 million** for BH providers; and
- Release **\$65 million** for IDD services.

Intellectual Developmental Disabilities/Autism Funding

- RCPA supports the governor's proposal to provide an **\$18.8 million** increase for services for individuals with intellectual disabilities and autism (ID/A). Additionally, RCPA supports maintaining the current enhanced rates for community participation services (CPS) in order to enable the service providers to operate their programs. Reducing rates in the future will create instability in the provider network.
- The need for ongoing adequate funding for services is critical. We urge the General Assembly to consider an annual review of rates in order to keep up with inflation and avoid falling further behind each year.
- RCPA supports including a waiting list initiative in the 2022/23 budget. The needs of individuals are assessed and defined through a formal process called Prioritization of Urgency of Needs (PUNS). As of February 28, 2022, there were 12,120 people on the intellectual disabilities (ID) waiting list. Of these, 5,064 people are in the Emergency Needs Category (individuals in need of immediate services).

Brain Injury Funding

- RCPA respectfully requests a one-time disbursement of **\$80 million** to the dedicated post-acute care brain injury (BI) providers in PA. The BI injury providers deliver a full range of comprehensive neuro-rehabilitation services in a community-integrated setting to individuals whose brain injuries or other

neurological disorders have affected their ability to live independently, work competitively, and participate fully as active members of the community.

- Most providers paid through OLTL received ARPA funds, yet BI providers were excluded. Without such a distribution of funds, these providers face ongoing inequities. BI providers are still being paid at rates set over a decade ago despite year-after-year increases in the cost of doing business and current skyrocketing inflation running currently at 8%.
- BI providers are requesting parity in rate increases that others have been given to support the sustainability of the direct care worker (DCW) workforce.

County Mental Health Funding

RCPA supports a **\$36.6 million** increase in county-based mental health services in the 2022/23 budget. Without more robust funding and support for county-based mental health services in the upcoming budget, the Commonwealth faces a continued wave of unmet needs. As indicated by numerous legislatively-mandated studies in Pennsylvania, the county-based mental health system is in crisis.

- Access is needed to critical supports not covered by Medicaid, Medicare, and/or private insurance for crisis services, mental health residential programs, supportive housing, employment services, case management, and psychiatric rehabilitation.
- County-based mental health funds reduce costlier interventions (e.g., emergency room visits, inpatient care) as well as homelessness and inappropriate incarceration.
- These services can often be the only chance individuals have to maximize their chance of recovery.

Over the past decade, state funding for county-based mental health has remained flat. Coupled with the impact of annual inflation, as well as new demands created by the pandemic, this is having a devastating effect on the ability of counties to sustain these services.

Opioid Settlement Dollars

With Pennsylvania counties and local governments set to receive 85 percent of the \$1.07 billion opioid settlement, the General Assembly will control disbursement of the remaining 15 percent. Pennsylvania's share is part of a \$26 billion settlement with four companies involved in the manufacture and distribution of opioids. This opens the door for the legislature to recognize the challenges facing addiction treatment providers that treat the Medicaid population, some of Pennsylvania's most vulnerable citizens. Foremost among those challenges is the difficulty in treating low-income individuals who lack resources with the low Medicaid reimbursement rates.

RCPA supports the following as principles that should guide the legislators in allocating these funds:

- This money should be used to serve Pennsylvania's Medicaid population. Medicaid providers can no longer cross-subsidize with commercial insurance payments, as the number of those patients being served by Medicaid providers has greatly dwindled.
- A supplemental payment to Medicaid providers to use as they see fit within the parameters of the opioid settlement will ensure the legislature's and the Commonwealth's commitment to serving this population.
- Through a Medicaid volume-based formula, addiction treatment providers should receive supplemental payments commensurate to the volume of services they provide to Medicaid patients.
- Using Medicaid as the vehicle to distribute this money directly to providers will essentially enable Pennsylvania to increase these funds by making them eligible for a federal match through Medicaid's Federal Medical Assistance Percentage (FMAP).

RCPA requests that the General Assembly help ensure that the above programs are fully funded, and the associated issues are fully considered, when negotiating the Commonwealth's 2022/23 Budget. **Contact [Jack Phillips](#), Director of Government Affairs, at 717-599-4372 with questions.**