

July 2, 2021

Meg Snead, Secretary
Pennsylvania Department of Human Services
625 Forster St.
Harrisburg PA 17120

Subject: ARP Comments and Recommendations from The Provider Alliance

Please accept our recommendations and comments to the recently published Spending Plan for the American Rescue Plan Act of 2021.

We support the investment of American Rescue Plan funds into the fee schedule rates for community Intellectual Disability and Autism (ID/A) services. These rates have not been materially altered since the year 2017 and are based on wage data from the U.S. Department of Labor published in May 2015.

Turnover and vacancy rates are at historically high levels. Prior to the COVID-19 pandemic a workforce crisis existed that has now escalated to jeopardize service to every person with an intellectual disability across the state. Eligible participants cannot receive necessary services and over 12,000 Pennsylvanians remain on the waiting list. Without a competitive and equitable wage for Direct Support Professionals (DSPs) there will never be sufficient capacity in the ID/A system to meet the entitled need for essential services. Capacity is in fact decreasing due to a lack of qualified workers. Providers of intellectual disability services cannot compete with other businesses to recruit and retain desperately needed DSPs.

DSP's deserve a living wage that is commensurate with the responsibilities of their job. Based upon the recently published report by the University of Minnesota Institute on Community Integration (Direct Support Workforce and Covid-19 National Report: Pennsylvania Profile, April 2, 2021), and the Massachusetts Institute of Technology Living Wage Calculator (<https://livingwage.mit.edu/>) to attain a minimum level living wage for in Pennsylvania, DSP earnings must be increased by \$4.20 per hour. This would support an average DSP wage of approximately \$18.20 per hour, which is equivalent to what the Commonwealth pays its state center employees. The published assumptions used to calculate the current ID/A rates include a DSP wage range of \$13.03-16.13 per hour. At the present time this has proven to be woefully inadequate.

We request that the Commonwealth invest \$540,540,000 of ARP funds to increase the service rates on the current ID/A fee schedule. Increased fee schedule rates should be equitably distributed across all services to benefit the DSPs who provide direct support to individuals and families. The inputs and data used to calculate our request are as follows:

Living Wage	\$18.20	
Average DSP Wage	\$14.00	
Hourly Wage Increase	\$4.20	
DSP Hours - Statewide	102,960,000	

Additional Wage Cost	\$432,432,000	
Benefit Cost/ERE	\$64,864,800	
Overtime Cost (Net)	\$43,243,200	
Total Cost		\$540,540,000

Benefit and Employee Related Expenses (ERE) apply the same assumptions that were used in the development of current ID/A fee schedule rates. We further request stakeholder involvement and transparency in the process by which final rates are determined and implemented.

The outcomes from a living wage will be measurable: fewer staff vacancies, lower turnover rates, reduced overtime cost, more reliable and higher quality services for individuals and families, increased satisfaction with services, and fewer reportable incidents involving health and safety. Investment in a living wage will stabilize the community system and increase capacity needed to serve the waiting list.

Additional grant funding in the following areas is also essential to the recovery efforts for ID/A services:

- The adoption of assistive technology and remote supports. These technologies can maximize independence and complement the efforts of our essential workforce. Implementation costs are often extremely high and not covered by current service fees. An equitable system to incentivize the use of technology and pay for its ongoing costs is needed.
- Sign-on and retention bonuses are necessary to provide an immediate impact in filling vacancies.
- As part of recruitment and retention efforts, the student loan forgiveness designated under Work Force Support within the current spending plan for “mental/behavioral health and substance use disorder fields of work” must be expanded to include ID/A DSPs.

Thank you for the opportunity to provide our comments and feedback.

Sincerely,

Patrick DeMico

Patrick DeMico, Executive Director

cc: Kristin Ahrens, Deputy Secretary, Office of Developmental Programs