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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

ENVIRONMENTAL RESOURCES & ENERGY
GOVERNMENT OVERSIGHT
HEALTH
HUMAN SERVICES
LIQUOR CONTROL

June 23, 2023

The Honorable Jordan Harris
Chair, House Appropriations Committee
512-E Main Capitol
Harrisburg, PA 17120

Dear Chairman Harris,

As we enter the final stretch of budget discussions and negotiations for the Fiscal Year 2023-2024 budget, I write to convey my district's most urgent budget priorities.

I am encouraged by the steps our caucus has taken to build on the proposals set forth by Governor Josh Shapiro this spring. I strongly support the additional investments in childcare, health care, home repairs, and programs for veterans proposed in the amendments to HB 611 that passed in the House on June 5, as well as the proposed increases for public school funding and the restoration of Level Up funding.

In the wake of the Commonwealth Court ruling that Pennsylvania's system of school funding is unconstitutional, I view our further investments in Basic Education Funding, Special Education, and Level Up as an essential down payment until the legislature and the administration are able to arrive at a sustainable and permanent remedy for our underfunded schools. I oppose the establishment of a new educational voucher program in the Commonwealth, especially any program that lacks income limits or residency requirements. The education of our 1.7 million public school students—every one of them, in every school district—must be our top priority.

While the inclusions in HB 611 are an excellent start, there are areas where our budget proposal falls short. Given our House majority and our Commonwealth's strong fiscal position, it is imperative that we push harder on behalf of the constituents who most need our representation and the agencies and departments that protect our public health.

In these final days of negotiations, and in addition to the inclusions in HB 611 listed above, I urge you to prioritize:

- **Investments in Human Services**

Pennsylvania’s home and community-based services (HCBS) waiver system has been in a chronic state of underfunding and crisis for years. More than 12,300 Pennsylvanians remain on the HCBS waitlist, and more than 7,000 of those individuals now fall into the “emergency” category, meaning they need services immediately, or in no later than six months. **The 2023-24 budget must allocate enough funds to cure the waitlist.** It is unconscionable for us to sit on billions of dollars in unallocated funds that would be lifechanging for families while creating jobs that stay in Pennsylvania, building our communities and our local economy.

The amount proposed for the “Intellectual disabilities – Community Waiver Program” line item in HB 611 matches the amount in Governor Shapiro’s revised spring update; however, it falls short of the number proposed in the governor’s original budget proposal. The stated reason for the change is an anticipated service underutilization caused by the Commonwealth’s ID/A staffing crisis. I would argue that the staffing crisis illustrates precisely why we need to further invest in these programs and address the critical needs within our system.

I urge you to **restore the nearly \$170,000,000 trimmed from the governor’s original budget proposal**, bringing the “Intellectual disabilities – Community Waiver Program” line item back to \$2,496,201,000.

- **Investments in our DSP workforce**

Pennsylvania continues to face both an extreme shortage of and a growing need for care workers and direct support professionals (DSPs) to care for senior citizens and individuals with disabilities. There is only one home care worker for every eight Pennsylvanians in need of at-home care, and with our growing senior population comes an increased need for both home care and nursing home workers.

Raising wages and reimbursement rates for care workers is an investment that goes directly back into our economy, as workers who make a living wage stay in the workforce, spend their incomes with Pennsylvania businesses, and are able to end their reliance on state and federally funded programs such as SNAP benefits or LIHEAP. With demand for care workers growing, we must also invest in programs that incentivize workers to join this workforce, such as tuition reimbursement, career and technical school funding, tax credits, sign-on bonuses, and affordable housing assistance.

For these reasons, I urge you to **prioritize an additional \$430 million in the General Fund budget** to increase DSP wages.

- **Investments in HCBS under the Medical Assistance Program**

Chronic underfunding of programs that support home care services has resulted in historic workforce shortages, leaving Pennsylvania’s Medicaid program unable to reliably provide high-quality, cost-effective care for Pennsylvania’s most vulnerable individuals, including seniors and individuals with disabilities.

Without the necessary funding, home-based care providers cannot offer competitive wages to attract qualified employees. Unlike providers who provide care to non-Medicaid recipients, Medicaid-enrolled providers are limited in what they can provide in terms of wages because FFS rates are set by the state.

I urge you to allocate \$230 million in additional funding to home and community-based services in the Medical Assistance Program. The four major programs in the most dire need of funding are Personal Assistance Services under the Office of Long-Term Living (OLTL), Pediatric Shift Nursing under the Office of Medical Assistance Programs (OMAP), Pediatric Home Health Aide Services under OMAP, and the shift nursing program under OLTL for physically disabled adults and seniors.

Pennsylvania faces a projected shortage of 376,800 direct care workers by the year 2030. When individuals in need of care are not able to access it in the home, they are relegated to much less desired and more expensive institutional settings, or their family members are left with no other option but to leave the workforce and struggle to provide the care themselves, causing significant ripple effects for our economy.

- **Investments to restore DEP staffing levels and support environmental programs**

I support the DEP funding letter submitted by Rep. Mandy Steele, which requests **an additional \$67.8 million** for the Department of Environmental Protection. These funds will allow DEP to begin to restore adequate staffing levels, fund clean water programs, and carry out the essential work of inspections, oversight, and hazardous site cleanup.

I further encourage investments in solutions such as Solar for Schools, which would increase resiliency in our communities, advance our clean energy goals, create good-paying jobs, and even create revenue streams that could go toward repairs for our crumbling school facilities.

Not only are the additional investments outlined above **possible**, thanks to stronger-than-expected state revenues, a strong Rainy Day fund balance, and billions of surplus, unallocated dollars held over from the past three budget cycles; **they are essential** to securing the future of Pennsylvania and improving the lives of Pennsylvanians.

Thank you for your consideration of these priorities and for your continued work on the budget. I am eager to work with you in the interests of my constituents and all Pennsylvanians as we get the 2023-2024 state budget across the finish line.

Sincerely,



Danielle Friel Otten
State Representative
155th Legislative District