

COMMONWEALTH
BUDGET 2022-2023
Senate Democratic Appropriations Committee



JULY 8, 2022

SENATOR VINCENT HUGHES
Democratic Chairman

2022-23 Human Services Code Provisions Moved into the Fiscal Code

Governor Wolf vetoed House Bill 1420, the Human Services Code amendments relating to the budget package, the morning of July 8, 2022.

To ensure Department of Human Services pieces of the budget plan can be implemented, certain provisions of that legislation are being amended into the Fiscal Code. Details can be found below.

Increase in State Supplemental Social Security Income Payments

The **Personal Care Home Supplemental Program** provides monthly grants to help meet the cost of personal care services for functionally disabled SSI recipients in personal care homes. The primary goals are to strengthen both informal and formal community support systems and decrease emphasis on the use of nursing homes and institutional care. The monthly state supplement for this program is currently an average of \$439.30 for individuals and \$957.40 per couple. **The language increases the monthly supplement to the levels in the table below:**

	Individual	Couple
Domiciliary Care Home	\$634.30	\$1,347.40
Personal Care Home	\$639.30	\$1,357.40

Extension of the Statewide Nursing Facility Assessment and Budget Adjustment Factor

States are permitted to levy health care provider taxes (also known as assessments) to count towards the state share of total Medicaid costs. These assessments provide a mechanism to generate new in-state funds to invest in Medicaid-related programs allowing the state to draw down the corresponding federal matching funds. There are federal rules regarding these assessments, including uniform applicability among classes of providers and that providers cannot be “held harmless” per federal definitions.

The statutory authority for the statewide **Nursing Facility Assessment** expired June 30, 2022. The language **extends this assessment through June 30, 2026.**

The legislation also **extends** the revenue adjustment neutrality factor, otherwise known as the **budget adjustment factor (BAF)**, for county and nonpublic nursing facility payment rates **until June 30, 2026.** The department is permitted to apply an adjustment factor to payment rates so that the estimated statewide day-weighted average payment rate in effect for that fiscal year is limited to the amount of funding appropriated by the General Appropriations Act. Without the provisions relating to the BAF,

nursing facility rates may exceed amounts appropriated in a fiscal year, resulting in the need for significant supplemental appropriations.

Implementation of Agreement to Strengthen Skilled Nursing Facility Care and its Workforce

The language includes the blueprint to implement the recent agreement between Pennsylvania's skilled nursing facilities, the skilled care workforce and the Wolf Administration aimed at **strengthening both the quality of care in these facilities and the workforce providing services**. The agreement is in response to pandemic related emergencies, workforce shortages and the proposed nursing facility regulations that would increase staffing ratios.

The legislation requires the department to **adopt minimum payment rates** within the Community Health Choices (CHC) program for skilled care in the Medical Assistance (MA) program effective January 1, 2023 through December 31, 2025. These minimum rates are set with agreed to formulas listed in the language. The legislation also sets agreed to rate factors for resident care and related costs, with penalties to skilled nursing facilities for noncompliance with the terms in the act also through December 31, 2025.

The language establishes a separate **Nursing Facility Quality Improvement Fund** to be funded with any penalties assessed on facilities for noncompliance and any interest earnings. Any money in the Fund would be expended for the administration and enforcement of the provisions above, and to provide funding for nursing facility quality improvement.

Independent Enrollment Broker Education on the LIFE Program

As an alternative to managed long-term services and supports (MLTSS) provided under CHC, eligible clients may choose to participate in **Pennsylvania's Living Independence for the Elderly (LIFE) program**. LIFE provides comprehensive care and integrated care management for acute, behavioral health, and long-term services and supports to the elderly.

The language seeks to ensure that the independent enrollment broker (Maximus) is properly presenting the LIFE option equally to that of CHC through strengthened language and a required report to the General Assembly.

Abrogation of Regulations

The language abrogates pandemic regulations for Child Care Centers, Group Child Care Homes, and Family Child Care Homes. Specifically, the following provisions relating to physician or certified registered nurse practitioner notification requirements are abrogated to the extent they apply to individuals with symptoms of COVID-19: Section 3270.137; Section 3270.153; Section 3280.137; Section 3280.153; Section 3290.137; and Section 3290.153.