



GOVERNOR WOLF

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2019-20

GOVERNOR'S EXECUTIVE BUDGET



HUMAN SERVICES

TERESA MILLER // SECRETARY, DEPARTMENT OF HUMAN SERVICES





AGENDA

1. Strategic Plan

2. Initiative Updates

- **Work Supports**
- **Value-Based Purchasing**

3. Human Services Spending Overview

4. 2019-20 Initiatives



Strategic Plan

- **Giving infants and toddlers a strong start**
- **Improving health care access to help Pennsylvanians lead healthy, productive lives**
- **Bending the health care cost curve**
- **Promoting accountable and transparent government**



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Initiative UPDATES

February 2019



INITIATIVE UPDATE

Work Supports Initiatives

We are launching a multi-pronged, comprehensive set of initiatives to support the people we serve in accessing and maintaining employment that supports themselves and their families.

- Redesigning our employment and training programs, specifically EARN and Work Ready, to provide comprehensive social service case management and address barriers to employment, while integrating with PA's CareerLink workforce system.
- Examining new solutions to employment barriers through innovation grants.
- Expanding data sharing with partners to strengthen employment connections and services.
- Partnering with L&I and DCED to involve employers in solutions.
- Assessing our clients' social determinant of health needs and developing a statewide resource and referral tool to increase coordination and simplify referrals among service providers.
- Partnering with PDE to develop educational programs that provide comprehensive support for low-income, single-parent families pursuing postsecondary education.

INITIATIVE UPDATE

Value-Based Purchasing

- In 2018, DHS, PID, and DOH held a series of 3 **roundtables** with physical and behavioral health providers and insurers to gather feedback on the state of value-based purchasing in PA and suggested next steps.
- In 2019, DHS, PID, and DOH will work with stakeholders to develop a **value-based purchasing roadmap** for the state, with the goals of:
 - Aligning VBP efforts across the commercial and government markets to accelerate the shift to VBP and amplify the effectiveness of our collective efforts to improve quality and reduce cost,
 - Reducing burden on providers, and
 - Spurring innovation.

INITIATIVE UPDATE

Value-Based Purchasing

- **Physical Health HealthChoices: All MCOs met the Year 1 target of spending 7.5% of capitation payments through VBP.**
 - DHS set VBP targets for PH-MCOs starting in 2017. Targets increased to 15% in 2018 and 30% in 2019. MCOs will report 2018 results later this year.
- **Behavioral Health HealthChoices: DHS set VBP targets for BH-MCOs starting in 2018.**
 - MCOs will report 2018 results later this year. Targets increase to 10% in 2019 and 20% in 2020.



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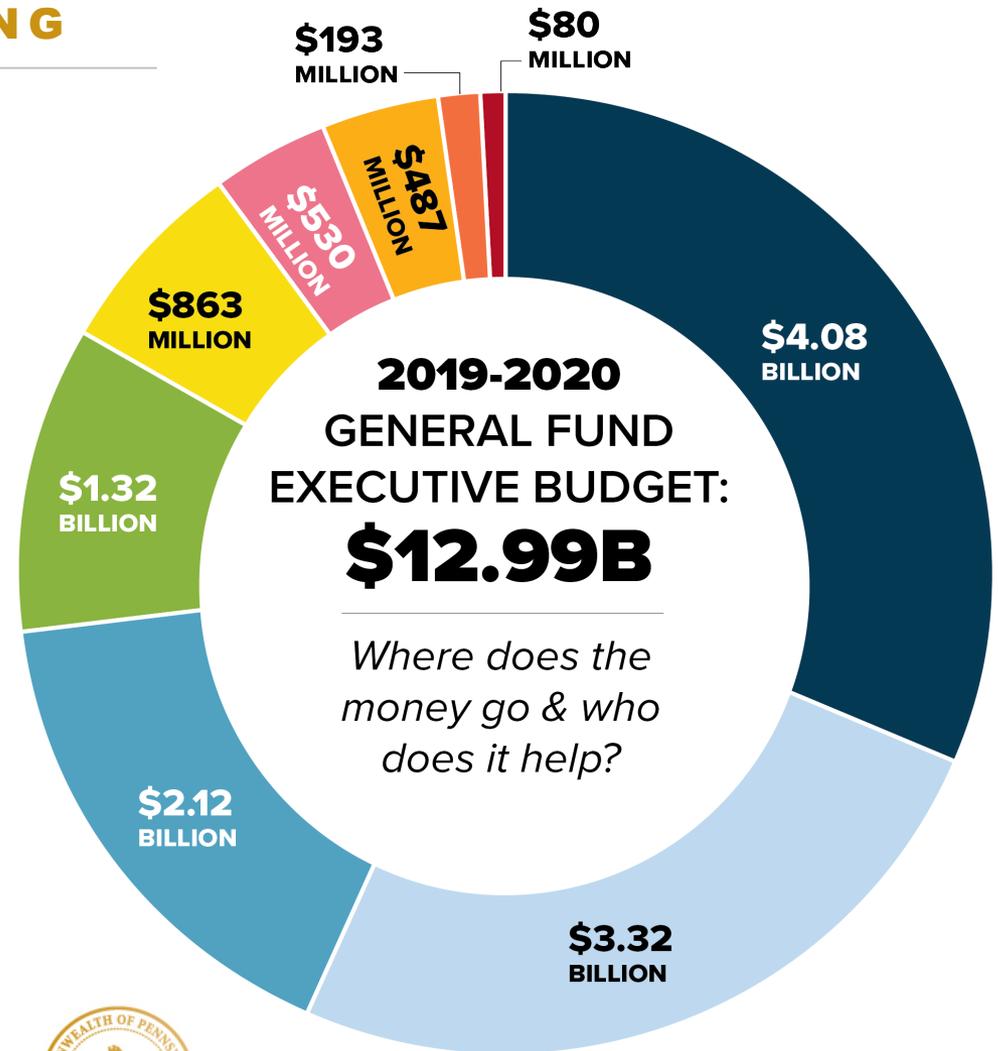
Human Services Spending OVERVIEW

February 2019



DEPARTMENTAL SPENDING

- Health Care
- Long-Term Living
- Intellectual Disability/
Autism Services
- Children, Youth & Families
- Mental Health &
Substance Abuse Services
- Administration
- Early Education & Learning
- Other
- Financial Supports





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2019-20 INITIATIVES

February 2019



INITIATIVES

Increase the minimum wage

- **Governor Wolf remains committed to increasing the minimum wage for all Pennsylvania workers to \$12 per hour.**
- Workers earning the minimum wage must have the ability to afford basic family-sustaining necessities – housing, groceries, transportation, and child care – that help avoid poverty, be productive workers, and reduce the use of assistance programs.
- Specifically in DHS, increasing the minimum wage will allow our providers to recruit and retain child care and direct care workers that are essential to the provision of services in our programs.
- Raising the minimum wage to \$12 per hour will save DHS \$36M in state general fund dollars even after providing for rate increases to support increased wages to impacted direct care workers and child care providers.
- Rates will be increased by \$74.2M for child care providers and \$45M for direct care workers serving the elderly and people with physical disabilities in the community to support this minimum wage increase. These rate increases are contingent on passage of the proposed minimum wage.

INITIATIVES

Help low-income working parents support their families

- **Invests \$5M** to create pathways for parents to attend a higher education program.
 - Funding will support the start-up implementation costs for up to 7 post-secondary support partnerships between educational institutions and social service providers to offer comprehensive, family-based support to empower low-income parents to pursue and complete the education needed for a family-sustaining career.
- **Invests \$15M** in federal funding to reduce the child care subsidy waiting list and enable access to quality child care for 970 infants and toddlers.
 - **Builds on investments of over \$100M** in state and federal dollars since 2015 to address the waiting list and improve quality, including lifting a rate freeze on STAR 3 and 4 base rates.

INITIATIVES

Strengthen high quality care for infants and toddlers

- **Invest \$5M** in state funds and \$1.8M in federal funds to provide a 3% rate increase for Early Intervention Programs, supporting providers in recruiting and retaining qualified staff as program enrollment grows.
- **Invest \$10M** in federal funds to provide a 28% increase for infant and toddler daily tiered reimbursement rates for STAR 2, 3, and 4 child care providers.
- **Invest \$2M** in federal funds to support apprenticeships for infant and toddler teachers to achieve Associates degrees.

INITIATIVES

Expand evidence-based home visiting

- **Invests \$5M** in state funds to allow for an additional 800 families to receive home visiting services.
 - Services will be provided by the models recognized by Health Resource and Services Administration (HRSA) as evidence-based models.
 - Studies estimate that for every \$1 spent on home visiting services, public spending is reduced by up to \$1.87 over the course of the child's life.

INITIATIVES

Expand services for individuals with intellectual disabilities and autism

- **Provides \$15 million** in state funds to serve 765 individuals on ODP's emergency waitlist and 100 people experiencing unanticipated emergencies.
 - The funds to serve those on the emergency waitlist will be targeted at individuals with no services beyond supports coordination, and will provide services through the Community Living Waiver.
 - The funds to serve those with unanticipated emergencies will provide services through the Consolidated Waiver.
- Last year's investment will also support continuity in services for another 800 public school graduates in 2020 so no young adult faces a service cliff after graduation.



INITIATIVES

Protect individuals in personal care homes and residential and day-treatment programs

- **Invests \$2.6M in state funds** to increase the frequency of licensing inspections to provide for the health, safety, and well-being of residents in these facilities.
 - Allows for 30 additional staff to license residential and day-treatment programs serving individuals with intellectual and developmental disabilities.
 - Allows for seven additional staff to license personal care homes and assisted living residences.
- The additional positions will support regular and consistent licensing inspections, which are critical in assuring the quality of all DHS programs.

INITIATIVES**Support Pennsylvanians with disabilities**

- **Invests \$2M to provide support for the Medical Assistance disability advocacy program.**
 - This program will help Pennsylvanians with disabilities as they apply for Supplemental Security Income or Social Security Disability Insurance benefits or go through the appeal process.
 - Successful applications allow Pennsylvanians with disabilities to receive federal financial support and reduce strain on Pennsylvania's programs.
 - By facilitating direct advocacy for applicants, we hope to increase the number of qualified claimants and reduce homelessness, food insecurity, and worsening medical conditions and help Pennsylvanians with disabilities contribute to Pennsylvania's economy.





INITIATIVES

Invest in mental health services

- Provides \$2.813M to support 45 new beds in the Community Hospital Integration Projects Program (six month start-up funds), in alignment with administration's ongoing commitment to help people receive services in their community.





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Thank you for joining us!

