

A Study Pursuant to HR 165: Home and Community-Based Services

November 10, 2025

LEGISLATIVE BUDGET AND FINANCE COMMITTEE

A Joint Bipartisan Committee of the Pennsylvania General Assembly

ABOUT LBFC



- The Legislative Budget and Finance Committee (LBFC) is a bipartisan, bicameral legislative service agency consisting of 12 members of the General Assembly.
- LBFC's enabling legislation, Act 195 of 1959, as amended by 46 P.S. §§ 70.1 – 70.6 authorizes LBFC to conduct a wide range of research activities and performance audits.



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HR 165 REPORT OVERVIEW

In response to HR 165, our report was structured as follows:

Objectives:



1. To review wage and contracted rates for care staff in Home/Community-Based Services (HCBS).



2. To determine staffing levels needed by HCBS providers, including staff members with specific expertise or certification.



3. To determine whether Medical Assistance program reimbursement rates and funding for the Area Agencies on Aging programs impact the recruitment and retention of the HCBS workforce and appropriate funding levels to ensure a qualified and sustainable workforce.

Scope:

January 1, 2018, through December 31, 2023. In some areas, we went beyond this scope because it was necessary to provide better context about the subject matter.

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HR 165 FINDINGS



Report Layout:

I

*Objectives, Scope, and
Methodology*

II

*Background
Information*

III

*Direct Care/Support
Workforce*

IV

*Office of Long-Term
Living Waivers and
Programs*

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*Office of
Developmental
Programs' Waivers*

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*Area Agency on Aging
Programs*

States with the Highest Employment Level in Home Health and Personal Care Aides 2023

State	Employment	Employment per Thousand Jobs	Hourly Mean Wage	Location Quotient ^{a/}
California	796,890	44.4	\$16.93	1.8
New York	566,160	60.3	18.41	2.5
Texas	312,420	23.0	11.47	1.0
➡ Pennsylvania	213,020	35.8	14.70	1.5
Massachusetts	113,730	31.2	18.54	1.3

Source: Developed by LBFC staff from information obtained from the United States Department of Labor
- Bureau of Labor Statistics.

Section III Findings:

1. There is no government data that specifically tracks the home and community-based workforce in Pennsylvania.
2. Demand for home and community-based services is expected to continue to grow in Pennsylvania, further exacerbating the direct care worker shortage.

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Section IV Findings:

1. During our review period, the Community HealthChoices and Omnibus Reconciliation Act waiver programs' enrollment and expenditures increased, and the Act 150 program enrollment and expenditures decreased.
2. During our review period, the Office of Long-Term Living Home and Community-Based Waiver Service fee schedule rates for personal assistance services increased by 10 percent. However, respite services rates did not change during the same period.
3. The Office of Long-Term Living is not required to review rates or conduct a rate study on a set timeline, unlike the Office of Developmental Programs, which must review rates at least every three years.

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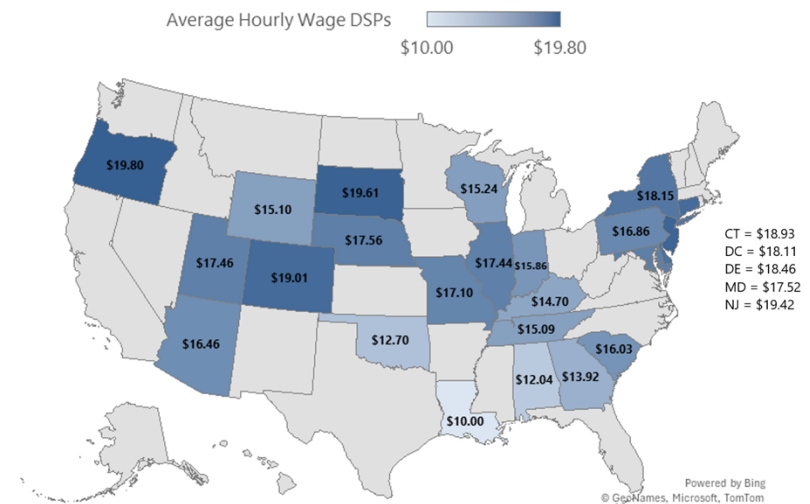
VI

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Programs*

Section V Findings:

1. Direct support professionals are not tracked as an occupation in state and federal data.
2. During our review period, average direct support professional wages in Pennsylvania kept pace with the national consumer price index but were lower than in surrounding states (with available data).
3. During our review period, the direct support professional workforce faced higher vacancies than other Pennsylvania economic sectors.
4. While the Department of Human Services has worked to reduce the Office of Developmental Programs waiting lists, more individuals are waiting for services than there are resources available.

**Direct Support Professionals
Average Hourly Wage by State/District
2023**



Source: Developed by LBFC staff from information obtained from National Core Indicators – Intellectual and Developmental Disabilities.

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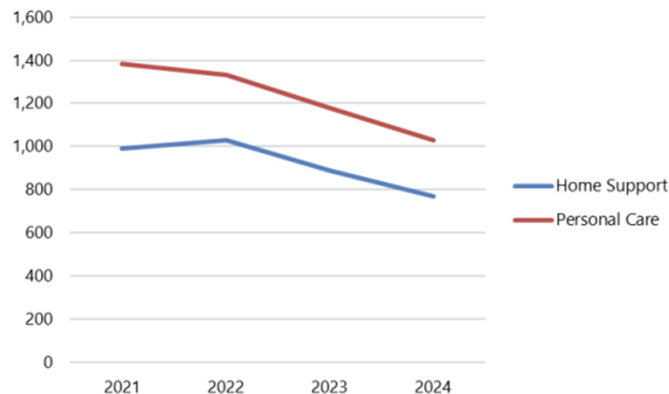
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Office of Developmental Programs' Waivers

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Area Agency on Aging Programs

OPTIONS Personal Care and Home Support Services Statewide Number of Individuals on Waiting List^{a/}



Note:

^{a/}Data as reported in June of each year.

Source: Developed by LBFC staff from information provided by the Pennsylvania Department of Aging.

Section VI Finding:

1. More individuals are in need of PDA's Area Agencies on Aging OPTIONS program services than there are resources available to provide them.

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RECOMMENDATIONS



As a result of the report's findings, we made a total of seven recommendations.

RECOMMENDATIONS OVERVIEW

The Departments of Labor and Industry, Human Services, and Aging:

Absent the federal government changing workforce data collection to address the HCBS workforce at large, the above departments should collect data about the Pennsylvania HCBS workforce for rate setting, budget decisions, and other public policy considerations. This data should include tracking DSPs as a separate occupation.

The General Assembly should consider:

- Require a performance audit to evaluate the Direct Care Worker Job Quality Grants, steps taken to reduce waiting lists (after the COVID-19 pandemic and the American Rescue Plan Act of 2021 funding), and the effectiveness of additional OPTIONS funding (\$5 million beginning in FY 2023-24).
- Inflation adjustments to HCBS state-directed rates, including a required amount that must go directly to direct care workers.
- Working with DHS on reducing the Office of Developmental Programs' waiting lists, and appropriate Office of Long-Term Living HCBS funding levels.

The Department of Human Services should consider:

Changing its regulation to require a periodic review of the Office of Long-Term Living's HCBS rates.

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FINDING THE HR 165 REPORT



To see our entire report on home and community-based services, scan below:



For more information about the LBFC and to read our other reports, visit www.palbfc.gov.



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