STATE NEWS

STATE BUDGET

On Friday, June 30, the last day of the 2016-17 fiscal year, the Pennsylvania General Assembly passed a 2017-18 state budget bill, HB 218, and sent it to the Governor. Ten days later, Governor Wolf let it become law without his signature. HB 218 deals with spending for the 2017-18 fiscal year. But legislation is still needed to address revenue—how to pay for the spending. As this is written on July 13, the General Assembly and Governor Wolf are still negotiating the revenue side.

Below, we outline some of the items of interest to the disability community in HB 218. PIE will continue to report on the budget process as it moves forward.

Department of Human Services

Intellectual Disabilities and Autism

As proposed by the Governor and passed by the General Assembly, the budget provides for a significant increase in home and community based services (HCBS) for people with Intellectual Disabilities (ID). It includes funding:

- For a thousand people currently on the waiting list through a new Community Living Waiver capped at $70,000 per person per year;

In This Issue

State News .........................page 1
National News ......................page 6
Contact PIE .......................page 7
To expand the P/FDS Waiver for 820 special education graduates with ID and/or autism;

To bring 40 people out of state centers and into the community;

To expand the Adult Autism Waiver by 50 individuals;

To expand the Targeted Services Management State Plan to include more than 1,500 people with autism and/or ID on the waiting list; and,

For two bio-behavioral units (one in western Pennsylvania, one in eastern Pennsylvania) to help people with ID and/or autism who have extreme and complex behavioral health problems.

As far as we know, the budget includes $54.8 million for a rate increase as proposed by the Governor. The State Center budget is reduced from $137,770,000 for 2016 -17 to $130,649,000 for 2017 -18 -- $2.2 million less than the Governor proposed. ID base funds and ICF/ID funds would increase a small amount as proposed by the Governor.

Mental Health
In the Governor’s proposed budget, state funding for mental health services would have been reduced by 1.9%. Federal and other funding, including a new $22.6 million Intergovernmental Transfer, would have increased the budget, resulting in a 1% net increase. The final version of the budget, however, reduces state funds for mental health by an additional $5 million.

Attendant Care
While state funding would be slightly reduced, it seems to amount to an increase because of additional federal funds. The budget would serve an additional 840 people in the Attendant Care waiver and apparently no additional people in Act 150.

Services to Persons with Disabilities
The budget increases funding to serve an additional 1,470 people.

Aging Waiver
The Aging Waiver line item would lose almost $15 million in state funds and $19 million in federal funds for a nearly 5% decrease, but the budget indicates that funding is enough to serve an additional 1,428 people.

Department of Labor and Industry
The Governor had requested a $47,478,000 Transfer from the Vocational Rehabilitation Fund to provide state match to pull down available federal vocational rehabilitation funds. The final budget reduces the state match to $44,889,000. Centers for Independent Living, Assistive Technology Demonstration and Training, Assistive Technology Financing and Supported Employment are all flat funded.

Department of Education
Special Education will receive a 2.3 % increase and Early Intervention (age 3 to 5) will receive a 4.6% increase—as the Governor had proposed.

Combining Departments
Governor Wolf proposed combining the Departments of Health, Human Services, Aging, and Drug and Alcohol Programs into one Department of Health and Human Services. Legislative action is needed to combine the agencies. See HB 1000 and SB 746 under Bills of Interest. The budget bill, HB 218, maintains separate funding for the departments of Human Services, Health, Aging, and Drug and Alcohol Programs. There is a section of the bill which provides for the transfer of funds if legislation is enacted during the 2017-18 fiscal year to merge any of the four agencies. There is support for and opposition to the consolidation
Recent discussion has focused on combining only the Departments of Human Services and Health. In late May, Governor Wolf announced his nominee to head the combined agency, Pennsylvania Insurance Commissioner Teresa Miller. The Administration has a website with information about the proposed consolidation. It’s at https://www.governor.pa.gov/health-and-human-services/.

Medicaid Changes
As attention focuses on possible changes to Medicaid on the federal level, the Pennsylvania General Assembly is considering its own changes. HB 59, introduced by Representative Moul (R-Adams), was amended in the House to become the vehicle for changes to the Human Services Code. Among other things, it could impose work requirements on certain Medical Assistance (MA) recipients, require DHS to lock MA consumers into a managed care plan for a 12-month period and charge premiums to some families of children with disabilities. The amendment with the Medical Assistance changes was opposed by all House Democrats and 15 Republicans. As of this writing, HB 59 has been sent back to the Senate to see if they will concur with the House amendments.

Bills of Interest
Below we summarize some bills of interest to the disability community from the 2016-2017 session. For more information about these or any other state bills, go to: http://www.legis.state.pa.us/cfdocs/legis/home/session.cfm. At the top of the page is a box labeled, “Legislation Quick Search,” enter the bill number and click on “Search”. The site contains lots of useful information. So, take a few minutes and check it out.

HB 239. Introduced by Representative Marcy Toepel (R-Montgomery). The bill creates a council to study the services and treatments available to Pennsylvania residents living with rare diseases and disorders. The Rare Disease Advisory Council will bring together patients, healthcare providers, state agency leaders and others to study patients’ access to home care, as well as their nutritional needs and connections to others with similar illnesses. It passed both chambers and was signed by the Governor, becoming Act 14 of 2017.

HB 381. Introduced by Representative Pam Snyder (D-Fayette). This bill amends the law on allowing minors to consent to outpatient mental health examination and treatment to give the Department of Human Services the authority to issue guidelines and adopt rules and regulations. It passed the House on April 18, 2017 and has been referred to the Senate Health and Human Services Committee.

HB 707. Introduced by Representative Thomas P. Murt (R-Montgomery). This bill would provide for the delivery of services and programs to veterans with mental disabilities and emotional trauma and establish the Office of Veterans Mental Health Awareness. It was introduced and referred to the House Veterans Affairs and Emergency Preparedness Committee, March 3, 2017.

HB 713. Introduced by Representative Matthew E. Baker (R-Bradford). This bill would provide for evaluation of the person’s needs for either mental health or addiction treatment due to a drug overdose. It was voted out of the House Health Committee, given two considerations by the full House, and referred to the House Appropriations Committee, April 26, 2017.

HB 875. Introduced by Representative Stephen Kinsey (D-Philadelphia). This bill would establish in law the Governor’s Cabinet and Advisory Committee for People with
Disabilities and move it from its current location in the Department of Human Services to the Office of the Governor. It was introduced and referred to the House Human Services Committee, March 16, 2017.

**HB 1000.** Introduced by Representative Stephen Bloom (R-Cumberland). This bill would enable Governor Wolf’s proposed unification of the Departments of Aging, Drug and Alcohol Programs, Health, and Human Services into a new Department of Health and Human Services. It was introduced and referred to the House Human Services Committee, March 16, 2017. The Senate version of the consolidation bill, **SB 746**, was introduced on June 13, 2017 by Senator Judith L. Schwank (D-Berks) and referred to the Senate Intergovernmental Operations Committee. Senate Resolution 157 introduced by Senator Lisa Baker (R-Luzerne) would establish a process to determine whether consolidation of the Departments of Aging, Drug and Alcohol Programs, Health, and Human Services should occur. It was introduced and referred to the Senate Health and Human Services Committee, June 28, 2017. See also **SB 828.** Introduced by Senator Gene Yaw (R-Bradford). This bill proposes consolidating only the Department of Aging, Department of Health, and the Department of Human Services. It was introduced and referred to the Senate Intergovernmental Operations Committee, June 29, 2017.

**HB 1233.** Introduced by Representative Thomas P. Murt (R-Montgomery). This bill would establish a new standard for court ordered assisted outpatient treatment in the community, while leaving in place the clear and present danger standard for involuntary hospitalization. The new standard would be based on a medical determination of whether a person with serious mental illness needs and can benefit from assisted outpatient treatment to survive safely in the community. The bill was voted out of the House on June 21, 2017 and has been referred to the Senate Health and Human Services Committee.

**HB 1650.** Introduced by Representative Kerry A. Benninghoff (R-Centre). This bill would require Pennsylvania’s Department of Human Services to prepare and execute an Olmstead-like plan, to close all remaining state institutions for people with intellectual disabilities by 2023. It was introduced and referred to the House Health Committee, July 8, 2017.

**SB 21.** Introduced by Senator Bob Mensch (R-Berks). This bill, entitled “The Employment First Act,” would promote the employment of people with disabilities at competitive wages in Pennsylvania businesses and public agencies. It was introduced and referred to the Senate Labor and Industry Committee, June 29, 2017.

**SB 281.** Introduced by Senator Lisa M. Boscola (D-Lehigh). This bill would amend the election code to provide for polling place accessibility and to require the posting of a statement of voter’s rights. It was introduced and referred to the Senate State Government Committee, April 5, 2017.

**SB 541.** Introduced by Senator Patrick Browne (R-Lehigh). This bill would place the burden of proof on school districts, rather than a party seeking relief, in special education hearings. It was introduced and referred to the Senate Education Committee, March 24, 2017. See also **HB 850.** Introduced by Representative Thomas P. Murt (R-Montgomery) and referred to the House Education Committee, March 13, 2017.
SB 677. Introduced by Senator Lisa Baker (R-Luzerne). This legislation is companion language to the ABLE Act, Act 17 of 2016, establishing a state Treasury-administered “Achieving a Better Life Experience” program. It provides that contributions into a PA ABLE account may be deducted annually from taxable income up to a maximum of the annual federal gift tax exclusion (currently $14,000) per beneficiary. Additionally, it provides that any distributions from or changes to a PA ABLE account that are not subject to federal income tax will not be subject to Pennsylvania state income tax. It passed the Senate on July 10, 2017 and has been referred to the House Finance Committee.

RESOLUTIONS

HR 324. Introduced by Representative Sheryl M. Delozier (R-Cumberland). This resolution designated May 2017 as Annual Stigma Awareness Day in Pennsylvania. “Through education, the Stigma Project, funded by the Pennsylvania Developmental Disabilities Council and overseen by the Pennsylvania Mental Health Consumers’ Association has taken a bold stand against stigma and embraced a mission to build inclusivity in order to change negative attitudes towards people with disabilities.” The Resolution was adopted May 9, 2017.

HR 336. Introduced by Representative Rosemary M. Brown (R-Monroe). This resolution designated the week of July 24 through 30, 2017, as “ADA Week” in Pennsylvania. It was adopted June 27, 2017.

Quality Strategy
On April 20, 2017, the Department of Human Services (DHS) posted for public comment a Medical Assistance Quality Strategy for Pennsylvania that addresses all the managed care programs in the Commonwealth. The document is required by the Centers for Medicare and Medicaid Services (CMS) to ensure access to high quality and efficient health care by the managed care organizations contracted by the DHS through the HealthChoices program. This includes five behavioral health managed care organizations and eight physical health managed care organizations, and the Adult Community Autism Program (ACAP) in four counties. The new Community HealthChoices program has also been added. DHS views the Quality Strategy as a dynamic document that needs to be updated as each develops and makes changes to demonstrate that their programs assure beneficiaries timely access to essential services and high quality of care in a cost-effective manner. View the document at http://www.dhs.pa.gov/cs/groups/webcontent/documents/document/c_260569.pdf.

CHC
As the Department of Human Services continues to prepare for the launch of Community HealthChoices (CHC) on January 1, 2018 in the Southwest Region, additional information has been posted to the CHC webpage, including frequently asked questions and a link for stakeholders to subscribe to receive updates. http://www.dhs.pa.gov/citizens/communityhealthchoices/index.htm.

OMHSAS
Dr. Dale Adair has been appointed Acting Deputy Secretary for the Office of Mental Health and Substance Abuse Services (OMHSAS). Dr. Adair had served as the Chief Medical Officer at OMHSAS.

OLTL
The Office of Long Term Living has issued one new Bulletin:
Act 150 Program Sliding Fee Scale for Calendar Year 2017, 54/59 -17 - 01, was issued on March 24, 2017 and effective January 1, 2017. The Bulletin provides the most recent sliding fee scale and updated Monthly Act 150 Participant Fee Report templates to all Service Coordination Entities working with Act 150 Program Participants.

ODP
The Office of Developmental Programs has issued one new Bulletin:

Quality Management Strategy of the Office of Developmental Programs, 00-17-01, was issued on June 20, 2017 and was effective on that date. The Bulletin distributes the ODP Quality Management Strategy for all ODP programs.

Waivers
The Office of Developmental Programs has received approval for the renewal of its two waiver programs – Consolidated and Person/Family Directed Supports effective July 1, 2017. The waiver renewals contain a number of system and payment changes, including revised employment services and the development of a new service called Community Participation Supports. In addition, new proposed rates have been issued that change residential services payments starting on January 1, 2018 to a fee schedule that ties rates to an individual’s needs. The rates will be the same statewide rather than differing by geographic regions, and have been updated to reflect more current cost information. The changes reflect the ODP’s focus on supporting individuals and their families in the community and encouraging progress toward complying with the CMS Community Rule. View the waivers and the proposed rates at http://dhs.pa.gov/provider/developmentalprograms/2017waiverrenewals/Appendies/index.htm.

NATIONAL NEWS

Federal Budget 2018

The budget proposes $54 million in reductions in non-defense discretionary spending to offset increases in defense spending. The reductions come, in part, from cuts to programs that support children, adults with disabilities, and seniors. In addition to cuts to safety net programs, including Medicaid, the budget proposes to restructure activities carried out by the State Councils on Developmental Disabilities, Independent Living, and Traumatic Brain Injury programs into a single state grant program with reduced funding. Information about the budget for the Administration for Community Living is at https://www.hhs.gov/about/budget/fy2018/budget-in-brief/acl/index.html?language=es. Funding for the Protection and Advocacy agencies and for University Centers for Excellence in Developmental Disabilities would be cut as would federal special education spending, the U.S. Department of Labor’s Office of Disability Employment Policy, autism programs, and medical research.

Congress has just begun to hold subcommittee hearings on the appropriations bills for FY 2018. If all 13 bills are not passed by September 30, 2017, a Continuing Resolution will be required to keep the government operating.
Contact PIE

Contact the PIE Team with any questions, comments, suggestions, or information to share at PIE, c/o The Arc of Pennsylvania, 301 Chestnut Street, Suite 403, Harrisburg, PA 17101, by email at pie@thearcpa.org or by phone at 800-692-7258.

- **A Slice of Pie** is available by email and contains hyperlinks for ease of accessing websites and internet documents and resources.

- PIE Alerts, PIE Information, and PIE Job Postings are available by email to keep people informed about disability issues between newsletters.

- Sign up for A Slice of Pie or PIE electronic messages by phone at 800-692-7258 or by emailing pie@thearcpa.org.

- Individuals who already get A Slice of Pie and/or PIE electronic messages can make changes at any time by clicking “Update Profile/Email Address” at the end of any PIE email message.

- A Slice of Pie is available at the Developmental Disabilities Council website www.paddc.org, by clicking on “Publications” and “Slice of Pie”. Archived editions can also be found there.

- **A Slice of Pie** is available in alternate format upon request.

- The PIE office will download, copy, and mail information mentioned in A Slice of Pie upon request.

---

The PIE Team

THE ARC OF PENNSYLVANIA

PIE STAFF:

Maureen Cronin  
Anne Yanikov  
Amy Houser

CONSULTANTS:

Terry Roth  
Vini Portzline  
Joan W. Martin  
Theotis Braddy
Change of Information?

We want to be certain that you do not miss an issue of *A Slice of Pie*, so please send name or address changes either by phone 800-692-7258 or by email to pie@thearcpa.org.

Thank you.