

**Testimony on House Bill 166**  
**State Biennium Budget**  
**Your Choice Health Care Group, LLC**  
**April 11, 2019**



Chairman Romanchuk, Ranking Member West, and Members of the House Finance Subcommittee on Health and Human Services, thank you for allowing me to provide testimony today on HB166—the state budget. My name is Michael Vallee and I am the CEO at Your Choice Health Care Group. We are a group of Home Health Agencies with offices in Athens, Chillicothe, Gallipolis, Portsmouth and South Point, serving more than 800 Ohio residents. I come before you today asking for your assistance to stabilize skilled home health Medicaid rates, which are nearing a crisis because they are so low.

My agency provides home healthcare services including homemaking, nursing, therapy and personal care throughout southeast Ohio. We accept a broad range of payers, including Medicaid, Medicare, Managed Care, Commercial Insurances, Private Pay and Veterans Administration to name a few. Sadly, the low Medicaid rates have had a substantial negative impact on my ability to recruit and retain a quality workforce, which in turns forces me to make difficult business decisions regarding who we can serve.

As a frame of reference, Medicaid beneficiaries account for 32% of our census and 27% of our in-home care delivery costs. Medicaid payments account for only 17% of our revenues. The impact of this disparity is evident when looking at our workforce. We currently employ 30 aides in Portsmouth. Despite having hired 45 aides over the last 12 months, our aide count has decreased by 15%. Our inability to keep up with employee wage increases in other sectors of the economy has reached a tipping point. Within certain classifications of home health employees, constant turnover is now the norm. This has many consequences, including increased costs. The most important consequence, however, is the inability to accept and staff referrals or increased service level requests, thus creating an access to care issue for Ohio's most fragile and vulnerable citizens.

If we want to prioritize home and community-based services, then we have to make paying the people that provide those services a priority too. Unfortunately, Medicaid home health rates are the same today as they were twenty years ago. With Medicare expenditures three times higher than Medicaid, and with expensive new regulatory requirements such as EVV, as well as issues with timely payment from managed care plans, my agency's ability to continue to provide Medicaid services is now in jeopardy.

We cannot continue to provide Medicaid services if the State of Ohio is not willing to support reimbursement rates that cover the costs of providing care. This would not be an easy decision, but when Medicare pays three-times more for the same services and the number of Medicare recipients is growing, it's a simple economic decision.

Thank you again for allowing me to testify today. I respectfully ask for your help with increasing the home health Medicaid rates in this budget. I'm happy to answer any questions you may have at this time. Thank you.