

Senate Medicaid Subcommittee on Health and Human Services
National Church Residences and LeadingAge Ohio
Sub HB 64
Thursday, May 7th

Chairman Burke, Vice Chairwoman Manning, and Ranking Minority Member Cafaro and members of the Senate Medicaid Subcommittee, thank you for the opportunity to testify today on behalf of National Church Residences and *LeadingAge* Ohio regarding Ohio's operating budget for FYs 16 and 17, and Sub House Bill 64. I am Jacci Nickell, COO of National Church Residences Senior Living and Services Division, an innovative national leader in integrating housing, health care and other supportive services for seniors, families and others who need us.

Today I am here to talk with you about the importance of appropriately funding and administering two vital home- and community-based services (HCBS) for Ohio Seniors that, consistent with Ohio's policies, helps keep them in their homes and out of higher acuity and more expensive levels of care such as skilled nursing or hospitals: (1) PASSPORT Waiver aide services and (2) Assisted Living Waiver services.

PASSPORT WAIVER

PASSPORT is a waiver for seniors that allow individuals at a nursing level of care to instead receive services in their own homes. We provide PASSPORT services to the low-income Seniors who live in our Senior affordable housing. These services include, for example, assistance with bathing, grooming, dressing, eating or feeding, mobility, and toileting. Our Aides are part of a team of home and community staff who are the first line to identify whether the Seniors they serve have additional needs, such as skilled home care services, or at times need an immediate Nurse visit in order to prevent a trip to the Emergency Room or hospitalization. Because we are

ABOUT US

Headquartered in Upper Arlington, Ohio, National Church Residences is the nation's largest not-for-profit provider of affordable senior housing and services. With 330 communities in 28 states and Puerto Rico, National Church Residences also provides health care in Ohio, including the operation of continuing care retirement communities and permanent supportive housing for the formerly homeless and disabled. The National Church Residences model of person-centered care includes adult day services, assisted living, senior housing, skilled nursing homes, memory care, rehabilitation centers, outpatient therapy, home health care and hospice.

- 304 senior housing communities / 19,770 units
- 9 Permanent Supportive Housing Communities for Formerly Homeless / 690 units
- 10 residential health care communities / 1,915 units and beds
- 3 Home and Community Services Agencies / 2,617 clients
- 6 adult day service centers / 855 clients

LeadingAge Ohio is a nonprofit association that represents approximately 400 nonprofit long-term care organizations located in more than 150 Ohio towns and cities, whose members offer services along the entire continuum of pre- and post-acute care from senior independent housing to skilled nursing. Member organizations serve more than an estimated 400,000 elderly Ohioans daily and employ more than 35,000 persons statewide.

an organization who provides all of these services, we can surround our residents with the direct care they need at the time they need it, keeping them in their homes aging in place longer. However, there are currently several barriers to us continuing to provide this care to Ohio Seniors.

1. Rebalance of Care to HCBS, But No Proposed Increases in Reimbursement

While we applaud the administration for their efforts to boost direct care workers reimbursement under developmental disabilities waivers, there are currently no proposed increases in PASSPORT or any of the Department of Aging administered waivers designed to keep Ohio Seniors in their homes. In fact, the rates for PASSPORT today are the same as they were... backing in 2008. The stagnant reimbursement of these services for Seniors has affected our organization drastically. We recognize the importance of this service, but have had to cut back, and now only provide PASSPORT services to the Seniors in National Church Residences owned and operated Senior affordable housing communities and not to the community at large. This is in direct opposition to the NUMBER of seniors who need PASSPORT as the administration has been successful in rebalancing care from institutions to HCBS. We adamantly support this effort, it matches our mission to serve seniors in the appropriate level of care, however while we have been cut on the skilled nursing side, the Medicaid funding has not come over to HCBS to pay for the seniors who need those services in order to receive care in the community.

2. Reimbursement for Unskilled Aides Currently Must Cover the Cost for Professional RN and LPN Services

The current rates, listed below, are slim, about \$16/hour, yet these rates must include the cost of care, aide wages, travel, unemployment, workers compensation, etc., as well as all of the same costs for a Registered Nurse, who under PASSPORT rules is required to assess PASSPORT clients every 60 or 90 days. The reimbursement rates are not sustainable for an aide, let alone to cover the cost of employing the professional-level RN required. While we agree with the necessity of Nurse visits within PASSPORT, we implore you to recognize that the reimbursement level is not appropriate to cover the cost of these professional services within the aide services rate, and organization is forced to provide free care and attempt to balance the massive losses on the backs of our private pay clients. For comparison, our private pay rates for the exact same aide and service are \$30/hour, we require a minimum of 2 hour appointments, and a \$3.00 travel fee.

	PASSPORT Current Rate per ¼ hour	PASSPORT Current Rate per 1 hour	National Church Residences Rate per hour	National Church Residences Employee Wage
Homemaker				
Personal Care Aide				
Nurse every 60- 90 days	None (within above)	None (within above)	-	
Private Pay	-	-	30.00	

3. As a Result, PASSPORT is Losing High Quality "Full Service" Agency Providers

PASSPORT clients are referred to us by the Area Offices on Aging. We have heard from them that they are having difficulty finding providers willing to provide PASSPORT at the current rates. We frequently turn down potential clients outside our affordable housing communities, (even when the AAA calls about the same client up to three times). Innovative and comprehensive “full service” providers like us are shutting down their PASSPORT services altogether. Others, like us, are only providing PASSPORT to their housing residents and not residents in the community. This is a disservice to Ohio Seniors. Providers like National Church Residences are person-centered and nimble. We have adapted our business practices so that there are consistency in our aide care in each our buildings. This helps us control costs and also the Senior to have a consistent care team to identify and address her needs. However, with such low rates, the only providers who can really afford to provide these services are small, non-agency providers. Not only are these providers not as robust in delivery of services as providers like National Church Residences, they will be phased out soon under the Administration’s current proposal.

➤ Proposed PASSPORT Solution

As a solution, we propose an increase of about 30% for the cost of the PASSPORT services in order to help us come closer to breaking even, and to make the rates and losses sustainable. Alternatively, we propose adding a service line for Nurse Consult and Nurse Assessment, which the administration is currently adding to another waiver under Medicaid, the Home Care Waiver. This service line would allow these RN or LPN provided services to billed separately and reimbursed appropriately commiserate with these professional services. We propose the same recognition of a separate Nursing cost and reimbursement in PASSPORT. This would mean we at National Church Residences could afford to cover the cost of the Nurse, and most importantly, continue bringing PASSPORT care to Ohio Seniors.

ASSISTED LIVING WAIVER

Turning to another home- and community-based service (HCBS), the Assisted Living (AL) Waiver is also a tool that Ohio is fortunate to have created to help Seniors age in their homes. The AL Waiver allows Seniors at a nursing facility level of care on Medicaid, instead of having to move to a Skilled Nursing Facility (SNF), to stay in the community and receive around the clock AL Waiver services instead. But, in Ohio, there are many fewer AL waivers to SNF beds (about 90,000 Medicaid/Medicare certified SNF beds, to only about 5,000 AL Waivers), why is this?

1. Low AL Waiver Rates Prohibit Access to Assisted Living for Ohio Low-Income Seniors

There are far fewer AL Waivers than SNF beds. Under the current reimbursement of the AL Waiver, providers like National Church Residences cannot afford to build or create more AL Waiver rooms or apartments. In addition, rates are so low that providers do not admit Seniors on AL waiver. Most AL Waiver recipients live in AL because they entered the AL as a private

paying resident, but used all of their savings doing so, became low-income, and now qualify for Medicaid and can receive the AL Waiver. Most importantly: if you are a low-income Senior in Ohio, you will likely not have the choice to live in an Assisted Living community. Rather, when their health care needs become too great, most low-income Seniors in Ohio are forced straight from independent living to a higher level of care (SNF).

2. Proposed Reduction of Reimbursement for Low Acuity SNF residents (PA1 and PA2) Calls for Increased Access to AL Waiver

Further, the administration proposes a substantial reduction in reimbursement for low-acuity SNF residents. We agree that these residents could receive necessary care in an alternative setting such as Assisted Living. However, in order to serve these Medicaid clients there, there must be more access and more incentive for providers to welcome seniors to their communities.

➤ Proposed AL Waiver Solution

Under current state rules, Ohio has made the policy decision to only allow single occupancy in AL waiver rooms and apartments. Federal rules require person-centered care that is integrated into the community, but specifically defer to states to allow double occupancy if there is a choice of roommate. In order to create more access to AL waiver for low income seniors, we propose allowing double-occupancy, which is consistent with federal rules. AL residents in our private pay rooms can choose double-occupancy, which we offer at a lower price in order to provide more access to AL services. Further, if a low-income Senior is not able to access AL services (with the choice of double-occupancy), often times that same Senior moves on to a SNF double-occupancy room. In order to be consistent with private pay residents, as well as SNF, allowing double-occupancy in AL Waiver would create more access in Ohio for low income seniors to AL services, while encouraging providers to offer more AL waiver in their AL communities.

CONCLUSION

PASSPORT and Assisted Living are two incredible services that are consistent with Ohio's path to care for Seniors by:

- ✓ Supporting the rebalance of care from Institutions to HCBS;
- ✓ Leading to the triple the aim of better care, smarter spending, and healthier Ohioans; and
- ✓ Offering patient-centered choice to our growing Senior population.

Further, both of our proposed solutions are consistent with the Joint Medicaid Oversight Committee's goals prescribed under ORC 5162.70 to ensure Medicaid recipients receive services in the most cost-effective and sustainable manner and to remove barriers that impede a recipient's ability to transfer to lower cost and more appropriate Medicaid services including home and community based services. Please support the House version of the budget with the inclusion of these two amendments.

Thank you for your time and consideration, I welcome any questions you have.