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Interested Party Testimony to the Senate Medicaid Committee
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Mr. Chairman and Member of the Committee, my name is David Besancon and I am the manager in Maxim Healthcare's home health office in Columbus. I have worked for Maxim for over 10 years and I have frontline experience with running a home care office.

Maxim is one of the largest providers of home care services in Ohio. We have over 4,400 patients, 14 regional offices and nearly 3,000 employed caregivers throughout the state.

Maxim provides home care services to a variety of different populations including children, medically complex, permanently disabled, and wheelchair-bound patients. These patients often require extended or continuous care with treatments such as ventilation, tracheotomy, G-tube feedings, and specialty medication. Maxim's caregivers enable these patients to receive care in their homes in a way that is more comfortable and cost effective than treatment through a long-term hospitalization or skilled rehabilitation center.

I am before you today to ask for your support for the home health aide rate increase embodied in HB 64. When adjusted for inflation, home health aides make about \$1 less today than they did a decade ago when we had our last rate increase. HB 64 provides for a modest 10% increase in the aide rates to help ensure we can continue providing this critical service.

I can attest to the difficulty my office in Columbus has had hiring new aides, competing with other employers, such as the fast food industry; and most importantly, retaining trained, competent and caring aides. An aide I lose because I cannot pay them enough is not only a loss of a valuable employee but a loss of continuity of care for a family served by that aide.

In 2004 when I started my career in Home Healthcare, the minimum wage was \$5.15/hr. At that time I was hiring and paying \$8.00-\$9.00 hr. For an 8 hour shift my bill rate in 2004 was \$13.50. At that time I had over 100 home health aides on staff at my branch and applicants constantly filing into my office because it was a pretty good job, not an easy job by any means, but it paid a lot better than minimum wage.

Fast forward 10 years and today the minimum wage is \$8.10 hr. I am now paying \$9.00-\$10.00hr in order to stay competitive with outside industries. My bill rate for an 8hr shift is now \$13.40/hr., 1% less than 10 years ago. We currently only have 40 home health aides on staff and finding quality applicants has been an ever increasingly difficult proposition due to those quality staff not entering the industry anymore. Since 2006, and every year thereafter, as the minimum wage climbs, the number of staff has decreased, and the number of individuals willing to enter into this type of work has decreased.

To put this into some context; in 2004, I hired 91 Home Health Aides in my branch. In 2005, 102 were hired; in 2007, 59 new aides. In 2012, just 27, and finally 2014, only new 20 aides

were hired. As minimum wage and other business costs have increased, the ability to find and actually hire staff has inevitably spiraled downward.

I would also like to take this time to express Maxim's support for greater efficiency, transparency, and accountability. We see these efforts in the Administration's call for a state wide Electronic Visit Verification (EVV) system for Medicaid services. Maxim is currently using EVV technology in other states and have found it to be beneficial to both the provider and payer.

Finally, and perhaps the most difficult, but yet most important piece of Medicaid reform, is challenging health care providers with new payment models. Models that reward best practices and create greater value for the tax dollars used to deliver health care services. Maxim is encouraged with the direction the state is taking to reward and incentivize home and community-based providers to reduce preventable hospital admissions and readmissions by working more closely with hospital discharge planners and collaborating with other providers throughout the health care spectrum.

In short, Ohio's home care industry provides a valuable service that allows elderly, medically fragile, and disabled Ohioans, to remain in their home in a cost affordable way that saves the state money over more expensive institutional care.

Thank you for time and attention to these important Medicaid budget items.