Testimony to the Finance Subcommittee on Health & Human Services
March 21, 2017
Presented by Jill Herron, Welcome Nursing Home.

Good afternoon. I am Jill Herron, the owner and Administrator of Welcome Nursing Home - a 102 bed skilled nursing facility in Oberlin, Ohio. I am a third-generation owner/operator; our family has been providing long term care services to people in our community since 1945.

I echo everything David Parker said in his remarks regarding growing accounts receivable under MyCare Ohio.. For a family who owns a single facility, this disruption in cash flow has been devastating. Not being able to predict cash flow has been very difficult of my single facility.

But I am here today to bring you a glimpse of the daily service delivery challenges our Medicaid residents have faced because of MyCare Ohio, and to urge you not to expand managed care in long term care without conducting a detailed review of the current managed care pilot project underway in Ohio – MyCare Ohio. The purpose of a pilot is to test a concept on a subset of the population to evaluate its effectiveness and determine if the program should be implemented. Because we are currently in the middle of this pilot, it is premature to expand the concept of managed care to the entire Medicaid long term care population without disastrous results.

Welcome Nursing Home has participated in the pilot since its launch in January 2015; currently about half of my residents are enrolled in a MyCare Plan. Since Lorain County is adjacent to Cuyahoga County, we have three Managed Care Plans representing MyCare Ohio clients. Preparing to work with three different plans who each have unique rules and processes, required us to divert staff hours from other resident-centered social services functions to manage the coordination of these additional plans. More importantly, once our

residents were enrolled in MyCare, they have faced significant disruptions in care as the plans do not support facilities in providing a high quality of care.

The challenges our residents have faced fall into two major categories.

The first significant problem is that **managed care companies do not understand the unique needs of the long-term care population, or business.**

Transportation Services under MyCare have been horrifying. Due to their medical complexities, our residents cannot be safely driven by a local Uber driver or taxi service. Yet this happens regularly. Drivers who are unprofessionally dressed arrive in dilapidated vehicles to provide transportation. One resident at my facility refused to be loaded into the vehicle because there were no tie downs available to secure her wheelchair. Earlier this month we had a confirmed reservation through the MyCare plan for an ambulette to take a client to a doctor's appointment, yet no one came to provide the transportation. When we followed up with the MyCare plan, we were told that "no provider picked up the job" and "there is no guarantee that scheduled transportation services will be provided." Fortunately, we do have a wheelchair accessible bus and were able to get the resident to his appointment, but staff had to be reassigned from other residents in order to provide the transportation. Ambulette transportation to medical appointments is a Medicaid covered benefit and should be covered by the Managed Care plan, yet it rarely is a smooth process. Our facility, like many others, have purchased additional vehicles to assure that our residents can get to necessary medical appointments. We have diverted resources that would have been used for other resident priorities in order to provide a service that the MyCare plan is responsible for and is being paid to provide.

Care Coordination Services were touted as one of the major benefits of MyCare Ohio when it was introduced. The reality has been that in most facilities the care managers do very little in terms of care coordination. This is yet another service the plans are being paid to provide that they often are not.

Simple Medicaid Room and Board Claims have been challenging for the plans to pay because they do not understand the long-term care business. Managed care plans are accustomed to paying individual medical claims, but most of our standard billing is for room and board charges. These recurring claims are all-inclusive payments. They struggle to manage common long-term care events such as changes in our daily rate, changes in resident resource amount, and payments for bed hold days. When one of these very frequent events occur, it takes months for the plan to process the corrections. Many of the corrections we are waiting for are from the inception of the MyCare over two years ago. Not only does this disrupt our cash flow, but staff time must be diverted from other facility responsibilities to resolve these numerous payment problems.

The second major challenge is that **the managed care plans are inconsistent with their coverage.** MyCare Plans are a Medicaid replacement product and should provide the same benefits as traditional Medicaid, yet, they have each created their own list of covered benefits. This causes residents to experience delays in receiving services to which they are entitled or possibly not receive them at all.

One specific example is a resident who had a mastectomy and needed new *prosthetic bras*. The MyCare plan in which she had been auto-enrolled denied the request, because they did not cover that item. We researched the other two MyCare plans in our area, and indeed found a plan that would cover the prosthetic. She had to wait to the end of the month to dis-enroll and re-enroll in the new plan before she could order her prosthesis. This is an added layer of bureaucratic red tape that is unnecessary

Another example is the coverage of *Specialty Wheelchairs* for individuals who require custom seating beyond a traditional wheel chair. Two of the MyCare plans in our area will cover them when medically necessary, and one will

not. Medicaid beneficiaries should all be entitled to the same minimum menu of covered services regardless of who is covering them.

The most recent inconsistency to arise is that some MyCare plans have established "special criteria" beyond what the State of Ohio Medicaid Department has defined as meeting *"level of care criteria"* to qualify for a nursing home admission. This is denying Medicaid beneficiaries access to long-term care services who would have otherwise been eligible for admission. Often the facility has already admitted the beneficiary under the traditional Medicaid criteria and then are notified of the plan's decision to not cover the stay. This results in denial of payment for services that have already been provided. This is simply unmanageable when trying to meet the care needs of those who require our services.

Finally, I am very concerned about the managed care contracting process and their willingness to contract with a standalone facility like mine. Managed care typically means "limited network". Independent owners across the state are concerned that managed care companies will prefer to contract with large, multi-facility organizations in order to cover their utilization area with one or two providers. This would be a tremendous disservice to aging Ohioans. Welcome Nursing Home and other family owned and operated facilities across the state meet a unique need in our communities for our aging population, and to potentially eliminate that choice would be devastating for those Medicaid beneficiaries.

In conclusion, expanding managed care universally to the long-term care population is simply a mistake at this time. The MyCare Ohio pilot project has not validated that managed care should be expanded. If data exists to demonstrate that the MyCare pilot is achieving quality outcomes for the long-term care beneficiaries, I have not seen it. I do know that the MyCare beneficiaries who live at Welcome have not had benefitted from this extra layer of bureaucracy between them and their Medicaid covered services. The long term care profession achieves demonstrated positive outcomes thanks to the thousands of committed employees who are dedicated to delivering quality, person - entered care. Instead of assisting in this endeavor, MyCare Ohio has diverted staff from working directly with residents

to managing a program that continues to have many kinks that need to be worked through, and has failed to deliver the services it is being paid to provide.

I urge you to take a few minutes and go to the Ohio Department of Aging's Ombudsman's website using the link I have provided in my written testimony: https://aging.ohio.gov/services/ombudsman/MyCareOhio.aspx
You will find two testimonials from Medicaid beneficiaries who had to utilize the Ombudsman service to force their MyCare Ohio plan to pay for covered benefits. To expand managed care to provide long-term care services and supports would be a grave disservice to the Ohioans most in need.

Thank you for allowing me to share my experience with you as you consider what is best for the aging population of Ohio. I would be happy to answer any questions you may have.