

TESTIMONY BEFORE  
THE OHIO SENATE  
FINANCE SUBCOMMITTEE ON HEALTH AND MEDICAID

Wednesday May 10, 2017

OHIO ASSOCIATION OF AREA AGENCIES ON AGING

Presented by  
Cindy Farson  
Director, Central Ohio Area Agency on Aging

Chairman Hackett, Vice Chair Tavares, and members of the Committee, thank you for the opportunity to testify on H.B. 49. I am Cindy Farson, the Director of the Central Ohio Area Agency on Aging representing the Ohio Association of Area Agencies on Aging (o4a) today. O4a represents the twelve regionally-based Area Agencies on Aging (AAA) in Ohio.

The AAAs administer and provide care management for the PASSPORT waiver and provide similar services for the Assisted Living waiver, Older American Act programs, Senior Community Services Block Grant and a variety of county levy programs. Seven AAAs provide waiver service coordination in the 29 mostly urban/suburban counties taking part in the MyCare Ohio demonstration. Ten of the AAAs provide care management services for the Ohio Home Care Waiver serving individuals under age 60. AAAs serve as the lead agencies for the Aging and Disability Resource networks that help seniors and people with disabilities remain in their homes and communities and the AAAs have participated in the HOME Choice program.

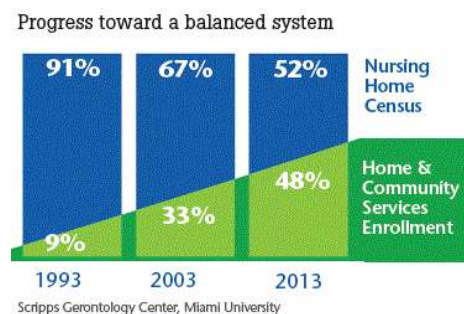
O4a is appreciative of the difficult task before this committee on many issues. We ask the Senate subcommittee to take a careful approach to the Governor's proposal to initiate a statewide managed long-term services and supports (MLTSS) system beginning in July, 2018. The House amendment to establish a study committee to review and evaluate the MyCare Ohio program's long-term services and supports is a sensible proposal that puts consumers' well-being

first. The population the Administration seeks to move to managed care has been left out thus far because they are the most vulnerable and frail, and it would be irresponsible to upend their existing support system without another equally or better functioning system in place.

Implementing MLTSS in Ohio represents an overhaul of the long-standing LTSS system that exists in Ohio which is very different from traditional Medicaid managed care.

We have some limited experience with MLTSS in MyCare Ohio; however, in many regards MyCare Ohio is different. MyCare Ohio is currently in year three of a five year demonstration to integrate Medicare (primarily medical) and Medicaid (primarily LTSS) for people who are eligible for both programs. This demonstration is perfectly positioned to analyze information to review whether and how to appropriately move forward with managed LTSS, and whether it can provide cost savings with exemplary outcomes and experiences for beneficiaries; however, we will not have complete data in which to compare the results until closer to the end of the demonstration.

For years, Area Agencies on Aging (AAAs) have been successful in assisting people in maintaining their independence in the community. Approximately 300,000 Ohioans annually are touched by the programs funded, administered, or care managed by Ohio's AAAs. From the inception of PASSPORT in the early 1990's when the ratio of people age 60+ paid by Medicaid



in nursing facilities vs those in home and community care was 90 to 10, the AAAs moved the balance to nearly 50/50 before MyCare Ohio was launched in 2014 saving the state billions of dollars. Ohio's AAAs have achieved remarkable success with consistently high satisfaction

rates, some years reaching above 99%. PASSPORT and the AAAs have had numerous outside

evaluations and are audited by the Ohio Department of Aging, the Ohio Department of Medicaid and occasionally the Centers for Medicare and Medicaid Services (CMS). With an estimated 2500 staff statewide, the Area Agencies on Aging run a lean program, with PASSPORT administrative costs kept to 2-3% on average.

PASSPORT has been responsive to cost controls and the varying economic times. An example is in 2011 during a deep recession the AAAs were able to carefully - with a person centered approach - trim back care plan costs from an average of \$1120 per month to \$897 per month over a five month period.

It is illogical to dismantle this established and consistently effective program without further study.

The AAAs recognize that there can be value to adding managed care to the Medicaid program to manage costly health care expenses. Long-term services and supports, however, operate very differently from medical services. MyCare Ohio has highlighted those differences. There are issues that continue to exist with MyCare including timely authorization for services, lagging provider payments for home and community providers, most of whom operate almost entirely as small businesses, and lack of systems coordination with the state and health plans with respect to eligibility and enrollment.

Timely service authorization is critical for home and community based services to ensure transition from hospital to home, from nursing facility to home, and to just be able to remain at home when the situation arises. Expedited services are the norm, not the exception, in our world. Individuals cannot go weeks waiting for things like a shower chair or grab bars. In PASSPORT we are able to get these types of durable medical equipment to clients in 3-6 days. In MyCare, the average is closer to 3-4 weeks.

I once had a caregiver call me to complain about home care equipment that was delayed for 2 weeks. She said I thought you all were supposed to ease caregiver stress, not increase it. She was correct and in PASSPORT I was able to immediately correct that kind of problem. In MyCare, we are institutionalizing some of the equipment, home repair and transportation delays and that should not happen. Easing the stress of caregivers is what it's all about since they are the key to keeping people at home and out of Medicaid nursing home care. We need to make sure that these problems are corrected before we move into Ohio's rural counties where service delivery is always a challenge.

Also, we continue to hear from providers that in MyCare, resolving billing issues and getting timely payments are a major problem. The Ohio Department of Medicaid has noted in public meetings that the 30 day payments for home and community based providers is still an issue. Our PASSPORT provider relations staff assists providers with MyCare billing even though this is not part of our MyCare role. It is an issue because it affects the services members can receive when providers refuse to provide services because of payment issues. This issue must be resolved, and especially before moving MLTSS into rural areas.

Since the inception of PASSPORT 25 years ago, the Area Agencies on Aging across the state have recruited and nurtured home and community-based providers. This role has been particularly important in rural areas of the state, where there are few providers, the population is less dense, individuals are sicker, and the consumers are hard to serve in their environment. AAAs recruit local providers that know their consumers and will go to the lengths needed to provide quality service. Small providers do not have, nor can they afford, accountants or billing services. They are sitting at their kitchen tables at night preparing invoices. They don't have the financial resources to carry a debt if they are not paid promptly. To maintain the provider

network, AAAs have adapted to meet the needs of these small mom and pop providers, without whom the program cannot succeed.

We are also charged with maintaining the quality of the PASSPORT provider network. Our provider monitoring and auditing functions are critical to the success of the program and ensuring that consumers have access to services. In PASSPORT, before we can issue a payment to a provider we reconcile their billing with the consumer's service plan so that there are very few issues regarding overpayment. The turnaround time for this review is only a few days so providers are not waiting for weeks or months to resolve payment issues. Providers are also audited to ensure that services are actually delivered as they have indicated. AAAs run a tight ship with providers, but we also understand the importance of having providers willing and able to perform the services. Without assurances of payment, many of the providers that we have worked with and supported will not be able to survive. This is the fear of moving too fast to MLTSS.

The AAAs providing waiver service and care coordination in MyCare remain committed to creating successful health and quality of life outcomes for individuals with their respective health plans. We have enjoyed working on problems with our Managed Care Partners and we know they've worked hard and are committed. However until the MyCare demonstration is completed and an evaluation of MyCare is conducted with data that supports expanding MLTSS -- we believe that the move to MLTSS in this biennium is premature. We think we can work together to eventually improve the consumer experience in MLTSS working with the state and MCOs but putting out an RFP in two months will result in similar problems experienced with the startup of the MyCare demonstration. We support the Ohio House amendment to HB 49 that develops a workgroup to study MyCare Ohio and expansion of MLTSS statewide. Our

consumers are vulnerable, and should not be put at risk when a delay could resolve problems being experienced currently. Any move to managed LTSS must take careful consideration of the process, and the lives at stake.

Thank you again for the opportunity to testify today.