



Testimony to the Senate Health and Medicaid Subcommittee

Jean B. Thompson, OALA Executive Director

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Chairman Hackett, Vice-Chair Tavares, and members of the Committee

My name is Jean Thompson, Director of the Ohio Assisted Living Association, representing over 475 licensed residential care facilities or Assisted Living communities as they are commonly called. Thank you for this opportunity to testify on Sub. HB 49.

First, we are appreciative of some of the changes the House made in the budget bill; *removal of the unnecessary and expensive new proposed fines by ODH, and maintenance of the Residential Care Facility licensure in the Assisted Living Medicaid Waiver*. ODH already has the ability to fine Assisted Living communities; adding new fines will increase business costs for providers and ultimately residents. Maintaining the RCF licensure in the Assisted Living Waiver is important to preserve quality and safety, as well as public understanding of what Assisted Living is. We ask that other waiver programs, not called Assisted Living, be used to serve individuals in other unlicensed settings.

We strongly support these changes and hope they will be maintained by the Senate. There is more detailed information on these changes and reasons for them attached.

Our major concern now is new language added in the Sub HB 49 that would prohibit an increase in the Assisted Living Waiver (ALW) during the course of the biennium. The ALW, a program currently serving 5,000 Ohioans, saves Ohio taxpayers money by caring for these nursing home eligible individuals in a lower cost setting. These individuals, who for varied reasons cannot continue to be cared for at home; either because their needs cannot be scheduled or there is no support person for them, would otherwise be served in nursing homes. Unfortunately, Assisted Living providers cannot afford to participate or to increase their participation in this valuable cost saving program, as the program has not received an increase in reimbursement since its inception in 2006. *All costs have risen since 2006.* The program will not be possible without an increase soon. The current language in the budget prohibiting an increase during the biennium, offers no hope of relief to providers, ultimately asking them to continue to participate in a program for 13 years without increase.

On the **attached chart** we have highlighted the disparity in our reimbursement rate compared to other Medicaid programs. We are not suggesting that these other programs are receiving too much, but rather that we are not receiving enough. **We ask that the prohibition on an increase in the Assisted Living Medicaid Waiver rates be removed from the budget.** In the *as*

introduced budget bill, the Ohio Departments of Medicaid and Aging, indicated that ALW rates would be increased during the biennium, allocating approximately 13 million dollars state funds or approximately 34 million dollars all funds. **When this prohibition was put in place, those funds were removed. We ask that those funds be reinstated.** We have also **attached, information on the cost of living increase over the last ten years.**

Designing Ohio's budget is a complex and difficult task. As you proceed, however, we ask, you on behalf of Ohio's rapidly aging population and Ohio's taxpayers, to review our requests; **1) to remove the prohibition on an increase in the ALW during the biennium and 2) to reinststate monies for an increase during the course of the biennium.** Assisted Living is a Home and Community Based service, along with others, that can help Ohio deal with our aging population's needs in a cost effective manner.

We are regularly asked by Aging, Medicaid, the Area Agencies on Aging and the public why more Assisted Living providers do not participate in this important program or increase their participation. We surveyed all Assisted Living providers in Ohio and resoundingly heard, ***we cannot afford to. The program is being reimbursed at 2006 levels. If rates were increased, 78% said they would either become providers or expand access to the program.***

We ask you to make an investment in the AL waiver program in this budget.



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