

**Testimony Before the Senate Health & Medicaid Subcommittee
House Bill 49**

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May 17, 2017**

Hello again, Chair Hackett, Ranking Member Tavares, and members of the subcommittee. I appreciate the opportunity to appear before you once more after last week's panel presentation.

Today I will focus on several other issues with House Bill 49.

Before doing that, I must reiterate OHCA's support for the House language creating a **study committee and delaying implementation of managed long-term services and supports (MLTSS)**. I ask that if you have not done so already, please go back and look over the results of the member survey on MyCare Ohio in my handout from last week. They are compelling, particularly the free-form comments. As they say, "you can't make this stuff up." Plain and simple, it is our members' three years of overwhelmingly negative experience with MyCare that is behind our request not to rush us into an expanded MLTSS program.

On other issues.

1. Along with MLTSS, OHCA's top priority is to support the House language imposing a **hard cap on Medicaid skilled nursing facility spending** for each year of the biennium instead of the up-front rate cuts that the Administration proposed. The House provision ensures state spending on SNF care stays within the budgeted level and puts us at risk for cuts if it doesn't.

We believe the cap is set at a reasonable level that we have a chance to meet. The Administration's alternative would be to take away the first base-rate increase our members have received in a decade - money that already is committed to pay staff and otherwise enhance our services.

In response to the Administration's comments about higher payments to SNFs for meeting quality measures, we would support an additional appropriation of \$30 million per year (\$11 million state) to double the size of the existing, statutory quality-incentive rate component.

2. OHCA agrees with the provisions in the House budget on **ICF/IID reimbursement**. Of course, we would prefer that ICFs receive an increase, coupled with a new

reimbursement methodology, but we understand the state's fiscal constraints may not allow that. The House language more rationally allocates scarce resources than a rate freeze, while keeping spending on ICFs at the same level.

We also agree with the House's decision to remove language that would have prohibited I/DD **waiver rate increases and additional waiver slots** and to restore the non-GRF, bed-tax-based funding for them.

We support OPRA's comments last week about troublesome language in the House bill on county boards' authority over **supported living certification**.

3. OHCA asks that the Senate amend provisions added by the House that completely prohibit increases to **Assisted Living Waiver and PASSPORT rates**. Again, we recognize the concerns about Medicaid spending and about the Administration taking actions without legislative authorization. We would support an amendment providing legislative authorization for rate increases if there is sufficient funding in the Medicaid "525" account. These programs provide an alternative that costs less than a SNF for people who need services, but not at the level provided in a SNF. The current low rates jeopardize that access.
4. OHCA agrees with the House's removal of the **draconian penalties** against both assisted living communities (residential care facilities) and SNFs that the Health Department proposed in the Executive Budget. We ask the Senate not to reinstate these excessive provisions.
5. OHCA requests an amendment that would give SNFs **more time to pay the franchise permit fee** (bed tax). Cash flow has been negatively affected by MyCare Ohio, so we would appreciate more time to accumulate the resources to make these large payments.

Thank you for the opportunity to testify. I would be happy to answer any questions you may have.