



**Testimony to the Senate Finance Committee on Senate Substitute Bill 166**  
**The Ohio Assisted Living Association, June 2019**  
**Jean Thompson, OALA Director**

*Chairman Dolan, Vice-Chairman Burke, Ranking Member Sykes and Members of the Senate Finance Committee:*

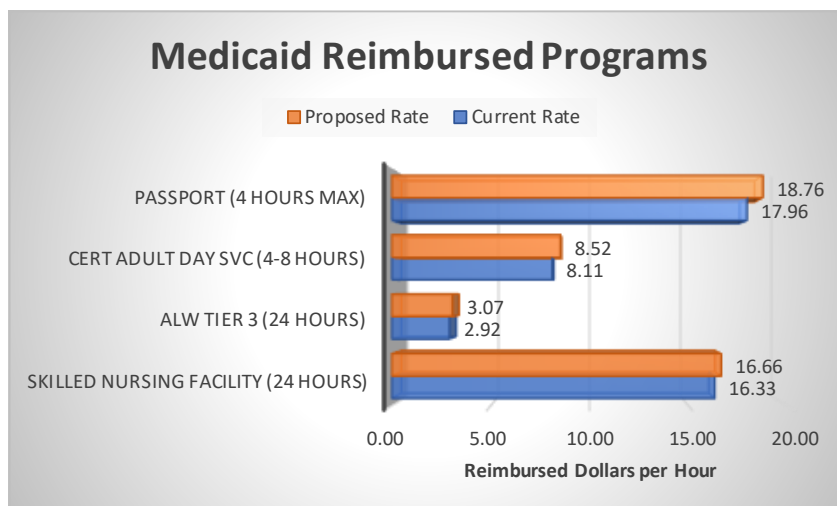
My name is Jean Thompson. I am the Director of The Ohio Assisted Living Association (OALA). Thank you for the opportunity to address you again.

Individuals on the Assisted Living Medicaid Waiver (ALW) and their families along with providers and our Association appreciate the increases in reimbursement we have received so far in this budget process. The 2.7% increase in the House version and the 5.1% in Senate Sub Bill 166 under normal circumstances would be welcomed with open arms. However, since the ALW has not had an increase for 13 years the proposed increase is not enough.

This level of reimbursement will not encourage providers to stay in the program or expand the number of individuals they serve. These increases do not close the existing gap between the ALW reimbursement and other Home and Community Based services (HCBS) which are also receiving this same increase in the Senate proposed budget. We need to move to a more level playing field with the other HCBS programs in reimbursement. This is a problem whenever a program like the ALW goes for such a long period of time without an increase.

While we believe all long-term care options need to be supported as we attempt to find the most appropriate and cost effective means of caring for Ohio’s growing elderly population, the ALW with these increases is still “way behind”. The ALW program, unlike the other HCBS programs, is 24-hours a day. In charts we provided previously, and graphically demonstrated here, the hourly payment for the ALW falls far below other HCBS program reimbursements.

Addressing the graph, note that 4 hours of an in-home care aide is currently more highly reimbursed, before any additions in this budget, than the 24-hour a day ALW service. The ALW is the program most likely, given its 24-hour nature, to defer nursing home placement. The nursing home placement cost is close to three times the cost of an ALW placement. ***Every ALW participant is medically and financially eligible for nursing home placement.***



***The increase we are proposing will only move the hourly reimbursement rate from \$3.07 to \$3.22 an hour.***

We ask you to further close the disparity in the reimbursement to this program, to make the ALW reimbursement more in line with other HCBS reflecting the increased costs of the last 13 years. We return with a smaller request than our previous ones. We would like 5.1% in each year of the budget, ultimately raising the daily tier rates from \$49.98—\$69.98 to \$55.21—\$77.30.

In the past, when we have come close to achieving a more equitable reimbursement for the ALW, lagging Ohio revenue removed those gains from the budget. Right now Ohio's collections are strong. This is the time for us to make this investment. This program needs to be more equitably reimbursed as it bridges the gap between some services at home and services in a skilled nursing facility.

The Association is supportive too, of what is being dubbed as "The Parity Amendment" which offers an increase based upon rising costs to provide services, not just to nursing homes, but for HCBS providers as well. Additionally, a supplemental amendment is being offered to clarify the inclusion of the ALW program.



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