



Testimony to the Full House Finance Committee

Chairman Oelslager, Vice Chair Plummer, Ranking Minority Member Crawley, and all members of the Committee,

Thank you for this opportunity to address you on Assisted Living and the states upcoming budget. My name is Jean Thompson, and I am the Executive Director of The Ohio Assisted Living Association (OALA) representing 587 licensed Assisted Living communities. Our members represent the diversity of Assisted Living in Ohio; for-profit, not for profit, corporate entities, and single owner properties. While Assisted Living is primarily private pay, there is a small Medicaid Waiver program serving about 6850 people. This program would be larger were it not for the program's low reimbursement history which would be good for Ohio as all individuals in it are nursing home eligible and without the Waiver would likely receive more expensive services in nursing homes. This is a money saving program.

Since its inception in 2006, it has only experienced one increase and that came following the last budget. It was an increase of 3.25%, although the Legislature approved 5.1%. Current rates are \$51.60, \$61.95, and \$72.26 per day dependent on Tier Level. There are 3 Tier Levels with most residents in the program in Tier III.

Per Director Corcoran of Medicaid there are funds in this budget for a 4% increase in reimbursement for the program and we are grateful to the Administration and Directors Corcoran and McElroy for this proposed increase.

While we appreciate the Administration's suggestion of the 4% increase, moving the reimbursement to **\$53.66, \$64.43, and \$75.15. It is not enough to cover costs.** Following the testimony given to the Subcommittee, all the HCBS associations decided to unite and ask for a 5% increase across the board in each year of the budget. This amendment is HC0656. We would ask for your support to this to ensure a **5% increase across the board in each year of the budget for Assisted Living.** Attached to my testimony today is a document showing the **5% increase in each year for the Assisted Living Waiver program.** (Att 1)

The Assisted Living Waiver provides a private apartment, meals, snacks, activities, housekeeping and 24-hour access to help along with basic Activities of Daily Living (ADL) services and medication administration by a nurse dependent on an individual's Tier Level within the program. At the highest level currently, the reimbursement is only \$72.26 per day plus \$24/day for room and board (this amount is set by the State but paid by participants). This reimbursement has not kept pace with the costs of providing care and cost of daily living. Providers have simply not been able to expand this program to meet rising need based on these levels of reimbursement – particularly during COVID. ***Please see attached materials providing details on the required services in the Assisted Living Waiver, and the rising cost of providing Assisted Living services compared to program reimbursement.*** (Att 2, Att 3)

Attached too as a reference is a comparison document regarding reimbursement in various similar Waiver programs. (Att 4) While we are not suggesting these programs are receiving too much, we only include them to demonstrate that the ALW reimbursement is not sufficient. The only other program in the comparison that offers a 24-hour service is skilled care.

This is why we respectfully ask the House Finance Committee to ultimately approve more funding for the program than the State offered 4%. Following the pandemic, there will be increased demand for the Assisted Living Waiver, based on people's hesitancy during a time of restrictions to come to Assisted Living even when it was needed.

There are approximately 950 nursing homes in Ohio and approximately 791 assisted living communities serving roughly 38,000 Ohioans. People are surprised by what a large number of Assisted Living communities there are, not realizing what a big part of the Long-Term Care landscape Assisted Living has become. All elements of the LTC continuum are important and serve varying needs. Assisted Living is good for Ohio and providers need your help. (Att 5)

I ask you to support a **5% increase in each year of the budget for Assisted Living**. The Assisted Living Waiver is a money saving program for Ohio. All individuals on it are Nursing Home eligible and would likely go to a nursing home except for the availability of the lower cost ALW placement.

Also, we want to thank the Administration for the inclusion of the Expedited Licensing provision that was in the bill; OALA supports this and feels it will benefit providers.

Thank you for your time and I would be glad to answer any questions I can.

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