

Testimony on House Bill 110
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February 24, 2021



OHIO COUNCIL
FOR HOME CARE & HOSPICE

Chairman Roemer, Ranking Member West, and Members of the House Finance Subcommittee on Health and Human Services, thank you for allowing me to provide testimony today on HB110—the state budget. My name is Joe Russell and I am the Executive Director at the Ohio Council for Home Care and Hospice (OCHCH). I'm testifying today to ask for your assistance in protecting the increase to Medicaid home health rates given in the as introduced version of the budget.

OCHCH represents over 600 home care, hospice, and palliative care agencies across the State of Ohio. Our members care for a variety of individuals ranging from medically fragile children, those who wish to recover from elective surgeries at home, mental health and addiction services, older Ohioans that wish to age in place, and many more. Our members provide a skilled level of care as well as non-medical care wherever the resident calls home through Medicaid, Medicare, and commercial insurance.

Home care includes a broad range of services that enables people to receive care in their home, rather than in a hospital, nursing home, or another outpatient setting. These services may be a combination of professional home health care such as nursing or physical therapy, personal care such as assistance with bathing or dressing, or support, like homemaker or companion services. Home and community-based services are provided in Ohio's Medicaid program through State Plan and waivers, which are administered via the Ohio Department of Medicaid (ODM), Ohio Department of Aging (ODA), and Ohio Department of Developmental Disabilities (DODD), respectively.

Home care offers a solution to the growing challenge of treating chronic conditions and managing costs of long-term services and supports. In addition to being a cost effective alternative to more expensive forms of care, home care also provides cost savings by helping individuals avoid hospitalization and readmissions. When a person does not have enough care at home they are admitted to the hospital, readmitted to the hospital, and/or admitted to the emergency department. The lack of managing emergency department and inpatient utilization drives-up Medicaid spending unnecessarily.

Despite acknowledging the need to invest in home and community-based services, Ohio continues to reimburse home care providers roughly the same as they were receiving over two decades ago. Between low reimbursement rates and the increasing cost of doing business, Ohio providers have been forced to consider leaving the Medicaid program, closing their doors, or moving to a neighboring state. All three of those scenarios accelerate the state into a Medicaid provider shortage and a significant access problem.

We are at a critical point. Given the current situation, we have to start seriously considering the outcome of thousands of vulnerable Ohioans losing the freedom of choice to stay home accompanied by the increase in Medicaid spending from those patients being forced to

utilize more costly forms of care.

To avoid this crisis, the State of Ohio must consider increasing home health reimbursement rates. This would help address Medicaid service gaps, workforce issues, and help ensure that home health infrastructure is equipped to care for the imminent influx of aging patients. We are not asking for money to be taken from other providers and given to us. We know that each pillar of the healthcare system provides much needed support for those with long-term service needs. What we hope to convey is that there is no feasible way to maintain Medicaid spending in Ohio without investments in home and community-based services.

Home health rates are essentially the same today as they were in 1998. If you don't remember 1998, it was the year the first Apple iMac was released, the movie Titanic came out on VHS and Laser Disc, Harrison Ford was the sexiest man alive, and DVDs were just hitting the market. Back then, a two-liter of Coke cost \$0.89, gasoline was \$1.09 a gallon, movie tickets were \$5 and the minimum wage was \$4.25 per hour.

Today, the world is very different and the cost of providing home care for Medicaid recipients far exceeds what Ohio reimburses for those services. Our providers lose money on every Medicaid visit they provide. Just like businesses in other sectors, home agencies are now faced with making tough decisions about their future. The interesting thing though is that home agencies are not in jeopardy; only their ability to provide Medicaid services is in jeopardy.

Due to the growing aging population, the number of people that will need services will double in the next twenty years. According to a survey conducted by AARP, nearly 90% of people over 65 want to age at home. Sadly, without changes to home health reimbursement rates, many people won't have that choice.

The cost of doing business for Ohio home health agencies has gone up significantly and reimbursement rates have failed considerably to keep up. Providers are grappling daily with new costs affiliated with additional regulatory overhead at the state and federal level. In Ohio, agencies are straddled with implantation of EVV (electronic visit verification) which has been more difficult and costly than even we expected.

When layered upon the difficulties of managing a global pandemic, home health agencies are facing an untenable situation. Do they continue to lose money to provide Medicaid, or do they leave the Medicaid program to ensure their company can survive?





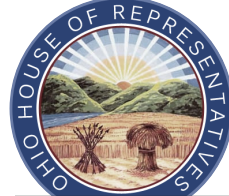

The Executive version of the budget includes a 4% across the board increase for skilled home care services as well as PASSPORT services, of which we are supportive. We very much appreciate the DeWine Administration, specifically Director Corcoran and her staff, for acknowledging the need to invest in home care. We know that this is a difficult budget because of COVID-19, but enacting this budget without a sizeable increase for skilled home health care would further exacerbate an already untenable situation for Medicaid home health providers. So our ask for this Committee and this Chamber is to clarify the existing 4%

increase within the Executive version of the budget, as it is not specifically mentioned in the budget language, as well as to continue to work with our Association to improve upon these reimbursement rates as additional revenue estimates become available throughout this budget process.

Thank you for your time and attention. I'm happy to answer any questions you may have at this time.

Attachment:
Home Health Services – Billing Rates Comparison and FY22 & FY23 Budget Status

Home Health Services - Billing Rates Comparison FY22 & FY23 Budget Status

DESCRIPTION	OHIO MEDICAID 1998 	FEDERAL MEDICARE* 2020 	OHIO MEDICAID 2020 	GOV AS INTRO (+4%) 	OH HOUSE 	OH SENATE 
Home Health Aide	\$24.00	\$67.78	\$23.57	\$24.51		
Licensed Practical Nurse	\$55.00	\$149.68	\$40.65	\$42.28		
Registered Nurse	\$55.00	\$149.68	\$47.40	\$49.30		
Occupational Therapy	\$70.00	\$164.74	\$69.94	\$72.74		
Physical Therapy	\$70.00	\$163.61	\$69.94	\$72.74		
Speech-Language Pathology	\$70.00	\$177.84	\$69.94	\$72.74		

Sources: Ohio Medicaid <https://medicaid.ohio.gov/Provider/FeeScheduleandRates/SchedulesandRates#1682573-home-health-rates>

Centers for Medicare and Medicaid Services (CMS): <https://www.govinfo.gov/content/pkg/FR-2019-11-08/pdf/2019-24026.pdf>

*Medicare uses an episodic payment system for Home Health Agencies. When agencies do not reach the threshold of visits for a specified period, they are paid a standardized per visit payment, or a Low Utilization Payment Adjustment (LUPA) rate which is what is shown above for comparison purposes.