

# The Academy of Senior Health Sciences Inc.



Chairman Roemer, Ranking Member West, members of the House Finance Subcommittee on Health and Human Services, my name is Chris Murray and I am the CEO of The Academy of Senior Health Sciences, Inc. [The Academy.] The Academy of Senior Health Sciences, Inc. is a membership organization of long-term care providers composed predominately of nursing homes. Thank you for the opportunity to testify before you today on an especially important topic to thousands of Ohioans – caring for the disabled and elderly in our nursing homes.

## Introduction

For this past year, COVID-19 has literally been a battle for saving lives in our nursing homes. We have witnessed an unprecedented joint effort between the Governor and his staff with the nursing homes and their representatives to join forces and work together to win this battle. Extreme stress was placed upon this administration's leaders as well as the nursing home administrators and front-line staff. Together we have undoubtedly saved many lives in nursing homes throughout Ohio and we applaud those efforts. The fundamental approach was always to prevent the spread of the virus in our nursing homes while effectively treating those who were infected. We remain focused on these goals while the vaccine is distributed. With the implementation of a remarkably successful nursing home vaccination program, we are hopefully beginning to see the end of the battle. Recent Ohio Department of Health data showed a 77% decline in nursing home COVID cases post vaccination.

As it is with most battles there has been collateral damage. Much of this damage has been inflicted on nursing homes. This budget provides an opportunity for the Governor and the legislature to focus on the damages done to our nursing homes and how to best respond to assure their recovery. We have a unique opportunity to improve the quality in nursing homes and use resources more effectively.

## Investing in Quality

For decades certain individuals and advocates in Ohio have resisted government policies which would spend significant dollars on quality in nursing homes. They have instead advocated for a reimbursement system that pays the worst nursing home in our state the same as the best nursing home. They continue to do so to this day. Medicaid reimbursement has historically been "one size fits all," leaving very poor performing nursing homes economically unaccountable for their poor performance and excellent nursing homes unrewarded for superior performance.

In 2019 the General Assembly passed, and Governor DeWine signed into law, HB 166. This bill marked an incredibly positive change in Ohio's reimbursement policy for nursing home care. For the first time, significant dollars in nursing home Medicaid rates had to be earned through objective quality measures. Our Governor and legislators should be very proud of this accomplishment. The Academy was extremely supportive of this policy shift which created a significant monetary incentive for providers to improve the quality of care their residents receive. This direct link between quality and payment for services needs to be maintained and enhanced. COVID-19 does not permit us to have a moral blind spot to our obligation to fund quality care for nursing home residents. The budget proposal before you once again demonstrates this administration's leadership and commitment to creating a policy environment in Ohio which recognizes the critical importance of the quality of nursing home care. It is now the General Assembly's turn to improve upon the quality initiatives found in H.B. 110 to ensure Ohio continues down the path of investing in high quality care to nursing home residents. Nursing homes need financial support, but we must remain consistent and firm about demanding excellence in return for those dollars. The 85,000 elderly and disabled citizens receiving health care services in these facilities will benefit from this policy.

This budget proposes to delay the rebasing of nursing home Medicaid rates and instead budget additional funding to encourage and reward quality of care. The Academy is fully supportive of this approach. There are those who will attempt to convince the legislature that rebasing is the better way to provide a much-

needed increase in nursing home funding. They will, no doubt, be the same individuals who have resisted past reimbursement initiatives designed to improve quality in our nursing homes. We ask the legislature to reject these attempts to undermine public policy which incentivizes quality improvement. Instead, we urge you to support the continued and increased investment in quality incentives which encourages providers to improve the life of the residents in nursing homes.

## Nursing Home Resources

It has long been evident there is excess bed capacity in Ohio's nursing homes. We applaud the policy found in this budget which recognizes the need to remove some of the excess capacity. There is currently a workforce shortage in long-term care. A reduction in beds will result in better utilization of this and other limited resources to care for our elderly which may also improve quality.

Besides the removal of beds from capacity, there needs to be further investment in, and incentives for, private rooms. Private rooms increase the quality of life. They also help prevent the spread of infection, such as COVID-19. The General Assembly may also want to consider new facilities to be designed so quarantine wards can be created during an outbreak without the need for life safety code or building code waivers.

However, providers continue to grapple with the pandemic. The buy-back funds would be better used to reward quality and help move providers down the path of recovery. The concept of bed-buy back, and bed reduction in general, is an important one that needs to be thoroughly discussed to ensure the policy decisions achieve the desired outcomes.

Finally, The Academy also supports an effort to qualify the transfer of ownership of nursing homes in our state. We have witnessed far too much the negative outcomes of private equity investors and profiteers buying nursing homes in Ohio. We need providers in Ohio that will put residents before profits. Medicaid funding should flow into quality providers, and away from poor performers. Otherwise, the vulnerable residents of nursing homes and their worried family members will suffer the most at the hands of those whose decisions are based on the return on investment, instead of quality measures.

## Conclusion

As our leaders work through the challenges of the pandemic and this budget, The Academy is confident that our General Assembly, our Governor, and other interested parties will work in a cooperative spirit to achieve the best outcomes possible for our nursing home residents. This can be accomplished by a continued investment to incentivize quality outcomes and ensuring that providers focused on quality are operating in Ohio. The language before us today is a good starting point to work towards that goal. Ohioans deserve nothing less.

Thank you for your time today and I will answer any questions.