



Ohio Association of Area Agencies on Aging
Advocacy. Action. Answers on Aging.

TESTIMONY BEFORE
OHIO SENATE FINANCE COMMITTEE

May 13, 2021

Presented by
Beth Kowalczyk, Chief Policy Officer
Ohio Association of Area Agencies on Aging

Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes, and members of the Committee, thank you for the opportunity to testify today on the state budget bill. My name is Beth Kowalczyk and I am the Chief Policy Officer for the Ohio Association of Area Agencies on Aging. I am speaking today on behalf of Ohio's 12 Area Agencies on Aging and the people they serve.

It is fitting that I am before you today to talk about aging, as May is Older Americans Month, and this year's theme is "Communities of Strength." The reality is that we are all aging. We are living longer, and we all want to be able to age in place in our homes and communities. That means we are likely to need some support when we get older. You may have experienced this to some degree with a family member, or friend, or as a caregiver yourself. Right now, for more than 2000 people on waiver programs, and countless more on waiting lists for local services or in need, home is moving out of reach.

We must ensure adequate resources are dedicated to the full spectrum of supports to enable us all to live healthy, engaged and secure lives as we age. However, the funding for home and community-based services has not come close to meeting the demand or the actual cost to serve. The demand for home and community-based services continues to grow as Ohioans grow older, and even more so because of the pandemic. This is not a new development; we have appeared

before the General Assembly over the last several years to bring attention to the need to prioritize home and community-based services.

Ohio's long term care system is a continuum of care, from home to assisted living to full skilled nursing care. This continuum is out of balance. We need to invest in that part of the system that focuses on home, because it is more cost-effective, and it is where people want to be. The Area Agencies on Aging are providing services and administering programs in the home setting.

Local Aging Services, like the Senior Community Services program and other federal and local programs that are administered by the Area Agencies on Aging, provide low cost, less intensive services that amount on average to about \$66.99 a month to support older Ohioans in their homes and communities.

In addition to Local Aging Services, the Area Agencies on Aging administer the PASSPORT Medicaid waiver. The average cost of care for PASSPORT in-home services is \$1225 per month. This is for someone who is at a nursing facility level of care, meaning that they are eligible to receive care in a nursing facility but can remain at home with support.

Nursing facility care is estimated to cost \$6361 per month.

All Ohioans live longer, healthier lives with dignity and autonomy, when disparities are eliminated.

**Independent • Active • Social
Health Focused • Community Programs**



**Dependent • Sedentary • Isolated
Chronic Health Impact**



Factors that Impact Health



Community Conditions
Financial Stability
Quality and Affordable Housing
Transportation Access



Healthy Living
Quality Nutrition
Physical Activity



Access to Care
Health-care Coverage/Affordability
Home and Community-based Supports
Workforce and Caregiver Capacity

¹Home and Community-Based Services (HCBS) cost calculations are based on monthly averages for Medicaid waiver services/case management and Older Americans Act program services. Monthly averages for HCBS programs do not include housing costs. Nursing Home monthly estimate based on 2020 nursing facility Medicaid rate.

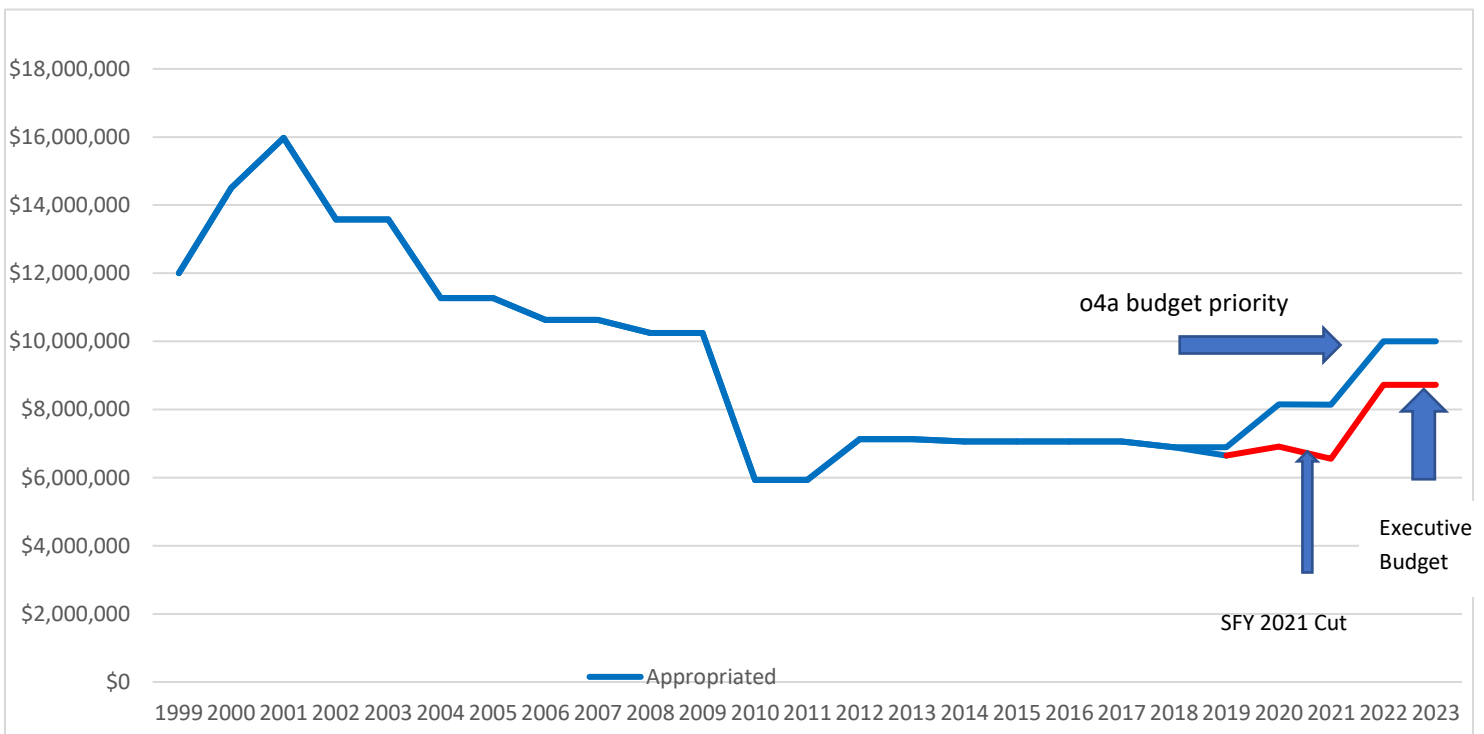
¹The HCBS programs are regionally managed by Ohio's Area Agencies on Aging/PASSPORT Administrative Agencies and delivered by local aging service providers.

When over 90% of people want to age in place in their homes and the cost is 1/6th of the cost of institutional care, we should be putting all our efforts into making this system work. Instead, the state is paying for 22,000 unused nursing home beds, while over 2000 people who are living at home, where they want to be, in the most cost-effective setting, are going without care. They are going without care because providers are facing low rates, staffing shortages and economic forces that combine to make the business model unsustainable to continue.

There are two ways we can start to balance the scale now to ensure that home is a real option for all Ohioans:

First, we ask that state funding be increased by approximately \$1.3 million per SFY for non-Medicaid supports for older Ohioans. This funding is in the Department of Aging's Senior Community Services line item, and it provides flexibility to Area Agencies on Aging to meet the needs of older adults in your communities with supports identified in regional plans that enable

them to age in place in their homes. These services can include home modifications such as ramps or bathroom modifications, home delivered meals (aka Meals on Wheels) and restaurant meal programs, transportation, and in-home care. They are not part of the Medicaid system but can delay or divert people from the need for Medicaid. (*Senior Community Services ALI 490-411 – Amendment SC2509*)



Second, we ask, with our colleagues in aging services, for an increase in the Medicaid reimbursement rate for home care services of 1% in state fiscal year 2022 (added to the Governor’s proposed, and the House passed version) and an increase of 5% in state fiscal year 2023. (*ALI 651-525 Medicaid Health Care Services – Amendment SC2291X1*)

All of the waiver services from adult day services to home delivered meals are facing challenges with the cost to serve and low reimbursement rates. We support the proposed increases in these vital services.

We have a choice to support people where they want to be, in the most cost-effective settings, in a way that provides equal access to these services. Right now, however, people are essentially on a waiting list for in-home services, or going without care, and the outcomes will inevitably be an increase in nursing facility or hospital care and increased risk of elder abuse, neglect, or exploitation. We are living longer, and we all want to be able to age in place in our homes and communities. The state must invest in home and community-based services now, so that **home is a real option for all Ohioans**.

Thank you for the opportunity to testify. I am happy to take any questions.

Investment in Home and Community Based Services To Align With Nursing Facility Care

TO: Senate Finance and Health Committees
FR: LeadingAge Ohio
Ohio Assisted Living Association
Ohio Association of Area Agencies on Aging
Ohio Council on Home Care and Hospice
Ohio Health Care Association
DATE: May 3, 2021

The above organizations testified as a panel before the House Finance Health and Human Services Subcommittee on February 24, 2021 on HB 110. We have joined together to ask Ohio lawmakers to take action in the state budget to bring parity to the level of investment for older Ohioans and Ohioans with disabilities who are served in their homes and communities.

Home and community-based Medicaid waiver programs are cost-effective options for older Ohioans and Ohioans with disabilities to live healthy, engaged, secure lives in their homes and communities. It is where most people want to be. However, our members are experiencing significant challenges in finding personal care aides to provide services in these programs. Providers are dropping out as a result and they are not easily replaced. They face low rates, staffing shortages and economic forces that combine to make the business model unsustainable for them to continue.

Ohio's system is set up for a continuum of care, with the provision of cost effective services at home to assisted living waiver options to full skilled nursing care. However, without the ability to provide personal care services in the community settings because of a lack of providers, eligible participants are turned away or disenrolled, or to immediately go to the full skilled nursing care when that is not necessarily what they need or want.

We support the following:

- An additional 1% increase for 2022 (added to the 4% increase proposed by the Administration and included in the House-passed HB 110), and 5% in 2023 for community nursing and aide services in the ODM and ODA-administered waivers, including assisted living, and state plan services,¹ to address the historic underfunding of HCBS and to assist in recovery from the damage caused by COVID-19. Director Corcoran has testified that the Administration's proposal (included in the House-passed HB 110) allocates \$43.8 million in state share for the 4% rate increase. This proposal would add \$42.9 million state share to this sum in the biennium to help ensure older Ohioans and people with disabilities can receive the services they need in the settings of their choice.
- Annual review of provider rates and workforce shortage to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available to those who are eligible for community nursing and aide services in the ODM and ODA administered waivers, assisted living, and state plan services.

¹ The specific services include: Private duty nursing, state plan nursing, home health aide, personal care for MyCare, PASSPORT, and Ohio Home Care; home care attendant for MyCare and Ohio Home Care; homemaker services for PASSPORT; assisted living in MyCare; assisted living waiver (ODA); waiver nursing for PASSPORT, Ohio Home Care, MyCare and Individual options waivers. We also support increases in waiver meals for MyCare, Ohio Home Caer and PASSPORT.