

Testimony on Substitute House Bill 110
Joe Russell—Executive Director
Ohio Council for Home Care & Hospice
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OHIO COUNCIL
FOR HOME CARE & HOSPICE

Chairman Dolan, Vice Chairman Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for allowing me to provide testimony today on Substitute House Bill 110—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 you to invest in Medicaid home health by increasing reimbursement rates and support language that will improve the quality of care provided in the community.

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 enable 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 more cost effective form of care, home care also helps individuals avoid hospitalization and readmissions. When a person does not have enough care at home they may be admitted to the hospital, readmitted to the hospital, and/or admitted to the emergency department driving-up Medicaid spending unnecessarily.

Moreover, our members provide high acuity care like private duty nursing (PDN) to Ohio's most medically complex children in the home. Nearly half of Ohio's 2.6 million children are served by Medicaid. However, Ohio ranks 47th nationally in Medicaid expenditures for children and spends 20% below the national average. Unlike skilled intermittent care, private duty nursing is done in multi-hour shifts due to the level of care required by the patients. For this reason, PDN services suffer from low base and unit rate reimbursements from Medicaid as the pay structure changes and actually decreases after the first hour of care.

We are at a critical point. We're beginning to see the Medicaid HCBS program collapse as providers may have no choice but to leave the program because they are not being reimbursed enough to even cover their costs, let alone retain, recruit, hire, and train an adequate workforce to serve patients. Without these providers, Ohioans will soon see a major issue with accessing these services and will either go without care or utilize other more costly forms of institutional care.

To avoid this crisis, we respectfully request the Ohio Senate to increase 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, Ohio's medically fragile children, and other vulnerable populations in need of home care. There is just no feasible way to maintain Medicaid spending in Ohio without investments in home and community-based services.

Today, 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.

My testimony includes a graph that highlights the cost of providing home health services on average, as well as a chart showing the reimbursement rates. When layered upon the difficulties and costs of managing a global pandemic, it's easy to see that 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?

We are asking the Ohio Senate to build upon the Executive version of the budget that included a 4% increase for some skilled home care services as well as PASSPORT services. *Amendment SC2291X1* would include an additional 1% increase in year-one for a total of a 5% increase in FY22, as well as include an additional increase of 5% in FY23. Moreover, we're asking for your support of *amendment SC2350* that would include skilled home health therapy services in this increase. This is a reasonable ask given that home health and in-home therapy providers are operating at reimbursement rates lower than they were in the late 90's.

We 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 these additional increases for skilled home health care would further exacerbate an already untenable situation for Medicaid home health providers.

Lastly, the House included language in the budget that would create licensing for home health providers. We are currently working with interested parties to make a few warranted revisions to this language, which we are hopeful to have for the Senate to consider in short order. By way of background, there are thousands of providers that are NOT regulated that go into our loved ones homes without any accountability. This language will protect the public while promoting elder justice by ensuring all in-home providers meet some minimum standard of care.

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