

## Ohio House of Representatives

### FINANCE COMMITTEE

#### TESTIMONY ON HOUSE BILL 33

Respectively Submitted By:

Angela Dooley

Regional Director of Operations Ohio

Addus Home Care

March 28, 2023

My name is Angela Dooley, I am the Regional Director of Operations at Addus Home Care. I am responsible for operational oversight in eight locations across our beautiful state, and I am a proud lifelong Ohioan. Our mission is to provide cost effective care and assistance that gives people the freedom to remain in their homes. I am here today seeking additional support to continue our mission in Ohio.

Financial support is needed for Ohio Medicaid, Ohio Department of Aging and managed care reimbursement rates so that providers can continue to provide home care services for our most vulnerable populations, to keep them safe at home. In our eight locations in Ohio, over 85% of our business is provided through Passport and Waiver program funding.

Without continuation of these life sustaining services funded through the Area Agencies on Aging and the State, these Passport and Waiver clients could be forced into institution-based care, increasing costs to the state and risks to their safety.

Two of the driving forces of our request for an increase in reimbursement is the elevated cost of recruitment and retention due to the current workforce shortage and the incredible financial burdens associated with ensuring compliance with state regulatory standards, both of which have reached unprecedented levels.

To illustrate, our national recruitment provider cites that, in Ohio, the average wage for quick-service restaurant workers is \$17.00-\$19.00 per hour, and from \$22.00-\$24.00 per hour for entry level manufacturing and distribution workers. Note that those employers generally do not require the volume of pre-employment training that our workforce must meet to begin working.

Sourcing paraprofessional staff with the requisite skills who meet screening requirements to ensure client safety requires a competitive salary and benefits package in addition to a large amount of pre-employment training and education. For example, each worker is required to have one year of experience, under the direction of a Registered Nurse, or sixty hours of training prior to caring for a consumer. Please note that this is an unfunded mandate; one that makes this entry level career path unattainable for most. We are unable to pay for this training to entice workers to join a career in health care due to low reimbursement.

Over the last several years, Addus has identified that the reimbursement rate offered by these payer sources has not kept up with mandated minimum wage increases, market conditions for cost of living and with the state aging program that takes these factors into account. Below are key data points that support the need for increased rate reimbursement for Aging services, and home care waivers in Ohio.

The average wage we can offer across the state of Ohio is \$12.00 per hour. Addus offers workers health insurance benefits to attract and retain quality workers, which increases our wage package but not enough to offset the wage disparity. Furthermore, we offer travel pay between each client, at minimum wage, and mileage reimbursement, which, again, is an unfunded benefit. Providers must also pay payroll tax as a percentage of base wage.

I am fortunate to be a part of a large organization, that has continued to make un-reimbursed investments to support our hiring and retention efforts. Even with additional investments, we are unable to meet the needs of the Area Agencies on Aging to which we are contracted. Each month, across my locations, we receive approximately 2,200 consumer referrals that we are unable staff. Additionally, our retention rate for home care workers continues to decline. Most of those employees are leaving the home care industry for distribution, quick-service restaurants, and manufacturing positions.

I meet regularly with the Area Agency leadership and continue to hear that we are losing contracted providers each month in larger volumes than they have historically seen due their inability to sustain a business providing these services. One provider, in Southwest Ohio, had twenty-two years of experience in this industry, and was forced to close in late 2021. I am also aware that the Area Agency on Aging, PSA2 has lost four providers just in the past six months.

Our employees live and serve in their communities and are a vital part of the local economies. The rate increase benefits the local economy in the form of higher local wages and more benefits to workers. Respite home care aides play a critical role in the care of Ohio's senior population and helps our citizens avoid premature institutionalization. Our ask is to increase reimbursement 50 % to allow for sustainable wages. I am confident that with this increase, we will be able to meet the demands of our seniors who are approved for and in dire need of this benefit but have been waiting for services for an extended period of time. We are honored to provide home care services and support for our aging population.

Thank you for your consideration,

Angela Dooley  
Regional Director of Operations  
Addus Home Care