



Testimony for House Finance Subcommittee on Health & Human Services

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Good morning, Chair Carruthers, Ranking Member Liston, and members of the Finance Subcommittee on Health and Human Services. It is a pleasure to be here with you this morning to talk about the bright future for growing older in the Buckeye State, and the real, tangible choices you can make this budget season to invest in our futures.

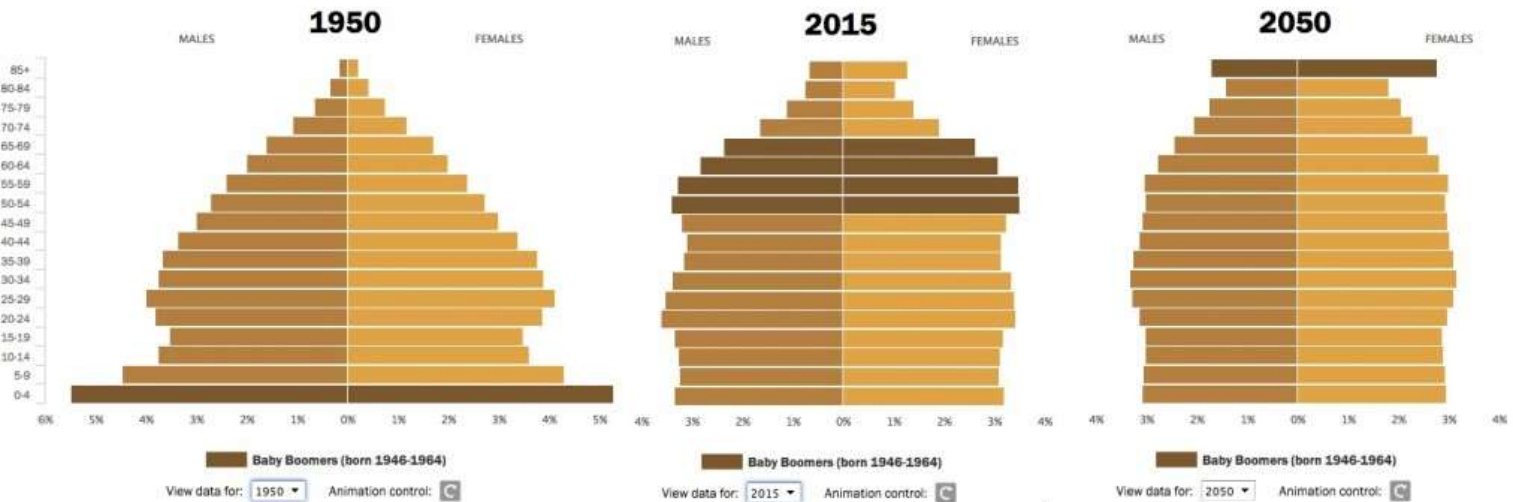
For those that might be unfamiliar with LeadingAge Ohio, we are an association that represents nearly 400 aging services providers, from affordable senior housing to life plan communities to nursing facilities and assisted living, as well as home and community-based services like adult day services, home care, hospice and Ohio's only PACE program. Our oldest member began serving Northwest Ohio the year that Lincoln took office. Our newest members are standing up innovative housing models to provide options for middle income Ohioans. Greater than 70 percent of our members are faith-based. Ninety-eight percent are non-profit organizations. Very few of them provide only one type of care or service; most span the continuum as they have flexed and changed to meet the changing needs of older adults in their communities.

Recently, I learned that Ohioans of my age group are likely to live to be a hundred years old, and my children are likely to live to be 120. I want you to think about this for a minute. When my kids hit 60, previously considered retirement age, they will only be halfway through their lives. How would you plan to use an extra decade or two of time? Would you take a second career, a mid-life retirement? How would it change the way we think and feel about what it means to be 'old'?

We are at the front end of a seismic shift in demographics and this shift underpins the workforce shortage we are experiencing across economic sectors. Our demographic "pyramid" is fast becoming a rectangle:

U.S. Age Pyramid Becomes a Rectangle

U.S. population by age group, 1950-2060



There are several other factors unique to aging services that have made our workforce challenges far more dire than other parts of the economy. First, it is impossible to overstate the impact of the pandemic on our workforce. Most of our members are still continually using heightened infection control protocols and will be for the foreseeable future. LeadingAge Ohio has been holding focus groups with frontline workers across the state and one finding that has arisen is that many continue to experience symptoms of PTSD. They describe loving their jobs, but nonetheless feel anxiety and dread, sometimes physical symptoms like nausea and sweats before their shifts. At a recent event with members, we were surprised how many had reported adding on-site counseling for staff to their wellness programming. The stress of the pandemic had contributed to a real retraction in our workforce.

Second, pre-pandemic, aging services providers were just emerging from a decade of flat or near-flat funding of long-term services and supports which left them in a weakened position. In the SFY 2022-2023 budget, we saw increases of over 6 percent to many LTSS services and 25 percent to adult day under PASSPORT. While important, necessary and material, these investments were barely felt; they only partially closed the gap between costs of care and payments. When inflation took off in 2021, the gap widened.

Over 60 percent of costs of Ohio's aging services providers are workforce-related. Flat funding has translated into flat wages, flat tax revenue and the erosion of buying power for those working in the caring sector.

I often liken our workforce challenges to eating an elephant: you can only do it one bite at a time. We need many small changes and a few big ones to make incremental gains towards a more sustainable future for us all. These changes include:

- Reducing chronic disease incidence in middle-adulthood so that Ohioans are healthier as they age, reducing the needs for long-term services and supports;



- Supporting family caregivers through supportive care models like adult day, PACE and respite care;
- Enlisting family caregivers in the formal support system through self-direction and other models that pay caregivers for the care work they do;
- Implementing workforce-extenders like smart home technology and telehealth to allow our workforce to operate more efficiently;
- Addressing languishing wages for important and meaningful care work;
- When higher levels of care are needed, ensuring those care settings are available to Ohioans in the communities they call home.

We who work in this vital sector must also challenge the way Ohioans feel about careers in aging and make jobs more appealing to jobseekers.

This executive budget addresses workforce challenges by investing heavily in home- and community-based services at levels not seen in recent history. Additionally, the executive budget is strategic in its expansion of specific services that would extend the reach of existing workforce – like paying for telemonitoring as part of our HCBS waivers – and those services that buoy our most committed workforce, that is, our family caregivers. Ohio ranks last among states in its current employment of self-direction in aging waivers, and this is a first step towards improving.

Boost home and community-based services, including home delivered meals

Two weeks ago, Director Corcoran shared in testimony that rarely did she hear from a stakeholder requesting less than a 30 percent increase in wages, and not infrequently, requests soared above 50 percent. The executive budget responds to this by specific services under Ohio’s home- and community-based waivers, including personal care services rates under PASSPORT and Ohio Home Care Waiver (29.9%), nursing (19.9%), home-delivered meals (22%) and adult day services (7%).

This brings personal care rates to \$17-21 per hour—which translates to an hourly wage of around \$13 per hour, meal payment to \$7.93 per meal including delivery, and adult day services \$86 per day for an enhanced level service. While it is true that we have not seen this level of comprehensive investments in our HCBS infrastructure in recent history, we remain skeptical as to whether these investments are enough. That is, will they achieve the desired result of making care work with older Ohioans an attractive and desirable career pathway?

We are also eager to learn more about the administration’s proposed payment for telemonitoring as a part of the Ohio Home Care, PASSPORT and MyCare waivers, as an important workforce-extender.

Rework Ohio’s assisted living waiver

A hallmark of this budget is a 48 percent increase to assisted living waiver funding, which supports the following:

- The collapse of the three existing tiers into a single rate, to be set higher than the current \$76.67 per day.
- Introduction of a new memory care add-on which would be based on costs of caring for individuals with severe cognitive impairment.



It is gratifying to see the Administration's support for a proposal that has been advanced by LeadingAge Ohio, the Assisted Living Association and the Health Care Association over the past three budget cycles. Currently, it is unclear how much of the \$85.7 million will go into the "base rate" and how much shall be appropriated to the new memory care add-on. Additionally, while there are some challenges to the way the language is currently written, we look forward to working with the Administration on memory care criteria for assisted living communities.

Build PACE infrastructure

As you know, expansion of Ohio's Program for All-inclusive Care for the Elderly program was passed late last year in HB45, with a \$50 million investment of one-time ARPA HCBS funds to support this expansion. PACE is a provider-based insurance program, so when we see large increases in provider services, whether those are assisted living or home care or nursing facility care—it is important that we recalibrate the per-member, per-month payment to PACE programs.

Healthy aging grants & Title III

Ohio is unique among states in that 74 of our 88 counties have a levy of some sort that supports a variety of services to older adults before they are typically eligible for Medicaid services. In fact, the amount that Ohio raises through these levies -- \$218 million annually—exceeds the amount that all other states (14 total) generate combined. The proposed "Healthy Aging" grants draw on ARPA funds dedicated to home- and community-based services to build upon this county network, expand it to those counties that don't yet have supports and help to make the county levy system more equitable from one region to another.

While highly variable, Ohio's levies overwhelmingly support pre-Medicaid services and supports that help older Ohioans remain in their communities, healthier, for longer periods of time. These include home-delivered and congregate meals, respite services, adult day services, and other special programming. The healthy aging grants would rely on evidence-based interventions to support health in late-life and forestall functional decline that will eventually lead to medical intervention. Certain provider types, including adult day services, receive more funding through their local levies and Senior Community Services block grant ("Title III") than they do through state-administered waivers. LeadingAge Ohio also supports the additional funding channeled into Ohio's Community Senior Services line item, which funds similar community supports.

Finally, LeadingAge Ohio looks forward to returning to the subcommittee when it delves into Medicaid issues, particularly as they relate to bringing up nursing facility reimbursement to reflect the real costs of care. Additionally, we look forward to actively participating in the Administration's Quality of Life and Quality of Care Task Force.

I began by sharing longevity projections about what is possible for Ohio's future, but I will end with sharing the uncomfortable reality we are living with today. Today in Ohio, there is a 23-year spread between the longest-lived census tract and the shortest-lived census tract. What is more startling still is that these two communities are only two miles apart from one another, but in terms of economic



access, opportunity and infrastructure, they couldn't be farther apart. LeadingAge Ohio represents organizations that serve in each of these areas.

While it is a thought experiment to consider how to position Ohio for a future where each of us have two or three "bonus" decades, the reality is that the promise of longer, healthier lives is only within the grasp of certain Ohioans. And this isn't an issue for tomorrow: today, in some parts of Ohio we're squandering decades of human potential, per person. The great news is that we have solid strategies improve our odds of living well into our 70s, 80s and beyond.

Thank you for the opportunity to share our thoughts, and I am happy to respond to any questions.