

HB 33 Interested Party Testimony Greg David, Home Care Network & OCHCH Board Member House Finance Subcommittee on Health and Human Services Chair Sara P. Carruthers March 8th, 2023

Chairman Carruthers, Ranking Member Liston, and Members of the House Finance Subcommittee on Health and Human Services, thank you for allowing me to testify as an interested party today on the state budget. My name is Greg Davis and I am the President of Business Operations and a founding member of Patriot at Home in Girard, Ohio. I am also on the Board of Directors for the Ohio Council for Home Care & Hospice (OCHCH).

I am honored to testify before you on behalf of the Ohio Council for Homecare and Hospice, and the patients I serve in Northeast Ohio. First, I want to thank Governor DeWine and his administration, as well as the Department of Medicaid. They have been accessible and seem to understand the dire situation Medicaid funded home and community-based services are in. I would like to take a moment to provide some more detail.

To do this I must tell you about my organization, and our mission. I am one of the founding members of Patriot at Home. We are veteran owned, and have been providing skilled home based services in the 10 northeast Ohio Counties since 2012. Growing up in the Youngstown area, I learned to have pride in my community, and we stick together. After high school I served in the United States navy during operation desert shield/desert storm. I learned a lot in 4 years, above all, trust the man next to you, and never leave anyone behind. Never.

I began my journey with Patriot Homecare in 2012. I am blessed to say we have grown Patriot to the largest skilled home health company in the Mahoning Valley, and one of the larger in Ohio. In 2022, we did over 100,000 home care visits and were able to admit 6,459 new patients, and of those 539 were Medicaid patients funded under the state plan. Those 539 patients received 5 star clinical service and many of them got back to leading happy and healthy lives. We do our absolute best to take care of all patients, no matter what insurance type.

Unfortunately, Patriot fell short in 2022. You see, there were 753 Medicaid patient referrals we were not able to help in 2022, and that breaks our heart. The sad fact is, we lose between \$800 and \$1000 on each new skilled episode we accept under Medicaid state plan. Those economics are not sustainable. Let me contrast the state plan with the federally funded Medicare entitlement program. For simplicity, let's look at a typical RN visit. Under the Medicaid state plan, we are reimbursed \$50.29 in 2023. That same RN visit under the Medicare program reimburses \$149.68. I am an RN, I am not a math guy, but that is a 297% higher rate. And, more closely reflects our actual costs when you factor in things like salary, mileage and administrative overhead.

Patriot has been able to grow while maintaining high quality metrics because we have focused our attention on our costs and have limited the number cases we take where the reimbursement does not cover the cost of care. It's worth noting that agencies that have followed this strategy have all seen success, while those agencies that have continued to provide Medicaid at high levels are struggling to survive. It's easy to see that Medicaid home care reimbursements do not take into consideration the costs of providing the care, and therefore the Medicaid "market place" for home care is not functioning properly. It really is a race to the bottom.

We can solve this problem by increasing rates and creating a sustainable future for Medicaid. The State of Ohio has to have Medicaid reimbursement rates that cover the cost of providing the care as well as allow agencies to pay their providers a competitive market wage. Many agencies throughout Ohio, like mine, would be more than willing to expand their Medicaid capacity if the economics were right. But if we don't do something now, then there might not be any access to home care for thousands of Ohio's most vulnerable. There just simple is no more road to kick the can down.

Members of the Finance Committee, earlier I referenced the United States Military credo that we never leave anyone behind. Under current state plan reimbursement we are doing just that, thousands of Ohioans are going without care, which jeopardizes them getting them back to work, taking care of their children and/or fulfilling their roles as grandma and grandpa. Again, we are very thankful to the DeWine administration and ODM for their attention to this growing access to care issue, but as of right now the problem is not solved.

I ask you today to carefully consider our testimony, and provide us the appropriate resources to care for the most vulnerable among us. I am humbled to be here today and thank you for your time. I am happy to answer any questions you might have at this time.