March 14, 2023

Wingspan Care Group Proponent Testimony on HB 33

Chairwoman Carruthers, Ranking Member Liston, and members of the House Finance Subcommittee on Health and Human Services, thank you for the opportunity to offer testimony on House Bill 33, Governor DeWine's executive budget proposal for state fiscal years 2024-2025.

Hello, my name is Leigh Hall, and I am General Counsel for the Wingspan Care Group based in Northeast Ohio.

Wingspan Care Group is a multi-dimensional organization created to deliver efficient, cost-effective services to Ohio families. As an administrative services organization we reduce the cost of administrative services for member provider organizations. With competencies in child welfare, behavioral health, developmental disabilities, psychiatric hospital and primary care services we provide comprehensive, integrated growth opportunities for member organizations. As a service provider and Care Management Entity, our network of organizations employs 1,200 employees and offers integrated physical and behavioral healthcare services to 50,000 Ohioans annually.

Wingspan, like other community behavioral healthcare providers, is facing an unprecedented challenge hiring and retaining staff to provide services to children and families. We have raised salaries more than 25% and still our residential programs are staffed at 50% and our outpatient programs are staffed at 68%.

Our experience is that job seekers are no longer willing to sacrifice compensation for a mission driven job. Even people who prefer to do mission driven work are being forced out of non-profit work in order to take care of their families. We are not losing people to other non-profits. We are losing them to large health systems, managed care and other for-profit organizations. If we want a community behavioral healthcare system we need to fund it in a way that makes our jobs attractive and competitive with all employers.

Over the last three year the world has changed.
We experienced the first phase of this change in 2020 with the pandemic. Despite the stay at home orders and social distancing rules we asked our employees to work around the clock with children in a congregate care setting who:

- Come from other congregate care settings, jails, hospitals, and other high-risk settings;

- Need help with the activities of daily living and require close physical support and intervention; and
- Are not inclined or able to wear masks.

Then we asked them to work overtime to cover for employees who were unable to work because they were either diagnosed with or exposed to COVID. Residential jobs were never considered desirable, but overnight they became potentially deadly.

In 2020 we thought this was a challenge to be measured in months. As a large, diverse organization we responded by reorganizing our teams to support the residential program. For months on end staff, including managers and supervisors from other programs, worked overnight shifts, weekend shifts, double shifts, and shifts that asked them to work with children diagnosed with COVID. They showed up. This level of effort was sustainable for months, but not years.

The second phase of this change was the workforce shift. What started as an exodus from residential for safety reasons in 2020 became the great resignation of 2021. Just as we began to celebrate vaccines as the answer to stabilize and rebuild our residential teams we slowly discovered we were the only ones cheering.

- We watched as fast food, retail and other service industry salaries became competitive with and then surpassed ours.
- We watched as Amazon opened three new delivery hubs in NE Ohio with starting wages far exceeding ours.
- We watched the number of open residential positions grow.
- We were forced to discharge clients because we did not have enough staff to take care of them.
- We had to say no to referrals we have always said yes to because we did not have enough people to take care of them.
- We watched as our model of hiring college educated entry level employees, supervised by master's level and doctoral level supervisors, was frayed.

At the beginning of the pandemic our outpatient services moved to telehealth. The investment was significant. We purchased laptops, mobile internet cards, telehealth platform licenses, and invested in training and staff to support the implementation. While we knew telehealth was not a complete solution for our families, we thought it was necessary to save lives and bridge what we saw as a short term, once in a lifetime challenge. Although we came to understand that telehealth would become a permanent service delivery option, we always knew we would also continue offering in-person services as soon as it was safe to do so because at our core we are a *community* behavioral health provider and in-person services are what many of our clients need. But just like we experienced in our residential program, the staff in our outpatient programs saw opportunity in new telehealth and other jobs that offered better hours andpay and could be done from home.

Employee compensation is the leading, but not the only, factor driving the need to increase rates across all services. Other costs, compounded by inflation and supply challenges, have dramatically increased since 2020. Examples include food, capital, equipment and insurance.

Food

The cost of food has risen 64% over the last three years. Popular and necessary food items are often unavailable and we have no choice but to pay high prices to get them when we can, or pay for expensive alternatives.

Capital and Maintenance

Property destruction is part of the cost of doing business for residential programs. We rely heavily on the ability to secure supplies and contractors to perform repair work. This cost has skyrocketed over the last two years. Our agencies utilize an outside vendor to clean all of the facilities on a nightly basis. This contractor, battling through their own respective staffing challenges, has imposed upon us substantial rate increases to offset their increases in labor. In addition, we have seen significant increases in the cost of cleaning supplies and cleaning agents since the onset of the pandemic.

Equipment

The amount of critical network investment necessary to conduct business is outpacing reimbursement rates. Over the past three years these investments have come at a capital cost close to $200,000 and warrants continuing investment in information technology.

Insurance

Even with significant investment in technology our cyber insurance cost increased 400% in 2022. This is coupled with the dramatic increases in liability insurance costs for foster care that have been well documented since 2019.

Thank you and I would be happy to answer any questions you may have.

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