



Testimony on Sub. H.B. No. 33
Megan Kelley, Ohio Assisted Living Association (OALA)
Senate Finance Committee, May 25, 2023

Chair Dolan, Vice Chair Cirino, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for the opportunity to provide testimony on Substitute House Bill 33. I am Megan Kelley, the Executive Director of the Ohio Assisted Living Association (OALA). For the last 30 years, OALA has served as a leading voice for the assisted living industry in the state, today representing approximately 72% of Ohio's Residential Care Facilities (RCFs). Today I would like to express OALA's support of several measures in the state budget bill: 1) a new reimbursement structure for the assisted living waiver program (ALW); 2) reforms to Ohio's Certified Medication Aide program; and 3) flexibility in ALW unit requirements.

I. New Reimbursement Structure Will Stabilize the ALW Program.

Sub. H.B. 33 modernizes the ALW program in the following ways, all of which will work together to bolster our struggling workforce, improve the provision of care for ALW recipients to better manage chronic conditions and avoid costlier alternatives, and improve access to the assisted living setting for all Ohioans.

- A. Compression of Tiers:** Over 98% of current ALW recipients fall into the highest of three existing tiers. Compressing this tiered structure into one base reimbursement level will streamline the program and eliminate unnecessary administrative burden and complexity.
- B. Improved Reimbursement:** At the collective urging of industry advocates, Sub. H.B. 33 includes a base payment rate of at least \$130/day.¹ This amount, while still not covering the entire cost of care, goes a long way to overcome almost two decades of stagnant reimbursement. This base reimbursement rate will stabilize the ALW program, keep quality providers in the program, will further expand access, and will give our waiver providers the means to recruit and retain desperately needed staff.
- C. Memory Care Add-On:** Assisted living is increasingly the preferred community-based, residential setting for residents with Alzheimer's and dementia-related conditions and their families. Sub. H.B. 33 establishes an assisted living memory care service payment rate of an additional \$25.00 per day to offset the higher cost of serving this population.² This measure is necessary to ensure that Ohio's growing population of residents with Alzheimer's and dementia can get the care they need, when and where they want to receive it.
- D. Critical Access Add-On:** Because the ALW reimbursement, even at the higher levels proposed here, represents a financial loss, facilities that accept a higher proportion of waivers reach a point of unsustainability relatively quickly. Sub. H.B. 33 provides an additional \$15.00 per day per resident for facilities comprised of 50% or more Medicaid recipients. This measure will not only make it possible for existing communities to accept more ALW but will also unlock

¹ Sub. H.B. 33 Section 333.240(B).

² Sub. H.B. 33 Section 333.240(C).



the potential of new development in this space leveraging other proven public/private funding programs.

II. Certified Medication Aide Reforms: A Powerful Workforce Solution

In addition to the ALW provisions in Sub H.B. 33, OALA is currently advancing a workforce amendment that would modernize Ohio's Certified Medication Aide Program (MA-C) to streamline and expand this underutilized program intended to alleviate the demands on licensed medical staff and allow the delegation of the task of passing medications. This measure is based on analysis of similar programs in other states and is a proven workforce solution for senior living. Coupled with the ALW reimbursement changes outlined above, this amendment would bring significant relief to the assisted living industry.

III. Shared Bathrooms Will Increase ALW Access

ALW facilities are governed by two regulatory sets and governing agencies. First and foremost, a facility must meet the requirements set forth in OAC 3701-16 to obtain and maintain licensure from the Ohio Department of Health (ODH).³ In addition, ALW providers must also meet the requirements of OAC 173-39-02.16, which is administered by the Ohio Department of Aging (ODA).⁴ This provision has been interpreted to require that ALW units must include a fully private bathroom, despite the fact that normal AL licensure is far less restrictive. OALA is supportive of a member-driven amendment to slightly relax this "private" bathroom requirement, within reason, to preserve the privacy and dignity of each resident while also creating the flexibility needed to improve access to assisted living for low-and moderate-income seniors.

Conclusion

On behalf of OALA's members, we are grateful that the current version of Sub. H.B. 33 acknowledges assisted living as a solution to some of our state's most pressing policy concerns and takes bold action to invest in it accordingly. We respectfully request that the Ohio Senate affirm these investments and magnify the impact of this Budget by including the amendments set forth here.

Respectfully submitted,

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Executive Director

³ This Chapter requires that "[e]ach residential care facility shall provide at least one toilet, one shower or bathtub, and one sink for every eight residents living in the residential care facility." OAC 3701-16(D).

⁴ This Chapter requires that private units are provided to each resident (subject to limited exceptions), and that "[e]ach [private] resident unit shall include a bathroom with a toilet, a sink, and a shower/bathtub, all of which are in working order." OAC 173-39-02.16(B)(2)(c)(iii).