

TESTIMONY BEFORE
OHIO SENATE MEDICAID COMMITTEE

Andrew Ward
Addus Home Care
05/11/2023

Chair Romanchuk, Vice Chair Wilson, Ranking Member Ingram, and members of the committee, my name is Andrew Ward, State Recruiter with Addus Home Care. Thank you for the opportunity to speak on House Substitute Bill 33.

As part of my responsibilities at Addus, I oversee all recruitment and retention efforts for eight locations across our wonderful state. Our mission is to provide cost effective care and assistance that gives people the freedom to remain in their homes.

I am here today to ask for increased financial support for Ohio Medicaid, Ohio Department of Aging and managed care reimbursement rates, to ensure quality care for our most vulnerable population.

As a leading homecare provider in the state of Ohio, Addus appreciates the increased Medicaid reimbursement that has been proposed, however, to address the serious workforce shortage our ask is at least a 50% increase in reimbursement rates. The current Medicaid reimbursement is simply not enough to pay competitive wages that attract a sufficient number of caregivers or to cover the costs of sourcing quality caregivers to meet our standard of excellence.

At Addus, most of our client care is funded by Medicaid, PASSPORT and My Care Ohio. Many providers in our state are struggling and have been forced to reduce acceptance of Medicaid funded referrals, or worse, stop accepting these payers all together. Unfortunately, in several Ohio counties those lists include more than five hundred people and often those individuals have been waiting for months.

Currently, there are over 632 clients waiting on personal care services in the WRAAA's five county region. This includes MCOs, Ohio Home Care waiver, and PASSPORT. The caregiver shortage is a problem that hits all areas of our state. In rural counties the supply of caregivers is not enough to meet demand and in urban counties the demand outpaces the supply of caregivers resulting in extended client wait times that affects all programs.

The 50% proposed increase in Medicaid reimbursement rates will help to address these issues and ensure that healthcare providers in Ohio can provide high-quality care to our shared clients. This will have a positive impact on the overall health of our communities. When individuals have access to affordable healthcare services, they are more likely to seek out preventative care, which can help to prevent serious health problems from developing.

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This request will allow us to mitigate continuous increases in the cost of care and recruitment. Additionally, the \$ 20.00 per hour wage will allow us to source the direct care professionals we need to assist our seniors to age in place.

Sourcing and recruiting paraprofessional staff whose skills and experience meet our requirements requires competitive wages, benefits, and significant pre-employment training. Currently, each new hire is required to have at least one year of experience, under the direction of a Registered Nurse, or sixty hours of training prior to providing care for our clients. I should highlight that these requirements are significantly higher than most state homecare programs and create both a financial burden for providers and a barrier for entry level job seekers to accept this position. Who accept other employment opportunities with less demanding training requirements with higher wages.

The average entry level manufacturing or distribution employee receives \$22.00-\$24.00 per hour. The average fast food or restaurant worker starting wage range is \$17.00-\$19.00 per hour. These roles often require little to no pre-employment training, and if training is required, it is typically on the job paid training. In short, we cannot compete with the wages that these industries are able to provide, or their ability to provide paid training and free education. Unfortunately, we often speak with career caregivers that truly love their roles, but they are leaving the home care industry because they cannot maintain financial responsibilities given the wages, we can pay on current reimbursement rates.

Our ask is to increase reimbursement by at least 50% to support a \$20.00 per hour wage. Our offices cover 14 counties in Ohio, we need your support to help our most vulnerable population remain at home. If afforded our request, providers will be able to recruit and retain enough caregivers to ensure the quality of life of our aging population through avoiding unnecessary and premature nursing home placement.

Thank you for the opportunity to testify today.