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Joseph F. Caruso, MBA
Senate Medicaid Committee
Testimony on HB 33 (SFY 2024-25 Operating Budget)
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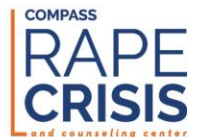
Chair Romanchuk, Vice Chair Wilson, Ranking Member Ingram, and members of the Senate Medicaid Committee, thank you for the opportunity to offer testimony on House Bill 33. My name is Joseph F. Caruso, President and CEO – COMPASS Family and Community Services. COMPASS is a Mahoning Valley not-for-profit agency that has served the community since 1908.

COMPASS primarily serves Mahoning and Trumbull Counties but provides regional behavioral health services to other northeast Ohio counties: Ashtabula, Columbiana, Carroll, Tuscarawas, and Jefferson. COMPASS’ core service areas include: residential and outpatient behavioral health services, Sojourner domestic violence services, rape crisis and counseling, workforce development services for persons with and without disabilities, drug and alcohol preventions services, senior guardianships services, and permanent supportive housing. This array of programming provides services and supports across the lifespan within our communities – from infants to our most senior population. COMPASS has continued to earn the highest level of accreditation from the Commission on Accreditation of Rehabilitation Facilities (CARF) as well as from the Ohio Department of Mental Health and Addiction Services for outpatient and residential services. In CY2022, COMPASS was awarded the Torch Award for Nonprofit Excellence from the Mahoning Valley Better Business Bureau serving Columbiana, Mahoning, and Trumbull Counties.

For my testimony today, I am focusing on our behavioral health services where we primarily serve individuals 18 years and older with severe and persistent mental illness and addictions. Prior to the pandemic COMPASS employed 265 individuals both full and part-time, today we employ only 193. In CY2022, we served 2,231 unduplicated count of clients, but in CY2019 we served 2,2383, while this is only a 6.8% decrease, we provided 19% more services to less clients with significantly less staff (45% decrease).

I want to applaud Governor DeWine for his leadership and bold vision for Ohio’s community mental health and substance use disorder system of care that is outlined in HB 33. In partnership with the Ohio General Assembly, this legislation intends to fulfill promises of the past to develop and strengthen the infrastructure necessary to support a high quality, accessible, and effective community behavioral health system in all corners of Ohio. I support the important policy initiatives and key funding investments included in HB 33. I believe that it will pay dividends far into the future. And I ask this committee to maintain and even strengthen the investment in the health and economic wellbeing of Ohio’s children, families, and communities so they have the tools to succeed and ability to thrive.

Today, more Ohioans of all ages need mental health and substance use services, yet most have difficulty accessing care due to the lack of available providers. Waiting times have increased to weeks and months, rather than days. Could you imagine knowing that you broke your arm and your doctor’s office says – we have an appointment available in three (3) weeks? No, you cannot, and that option of care is not acceptable. Neither is the length of time to access behavioral healthcare due to lack of providers.



Recent data found in 2021 that 41% of Americans reported mental health or substance use need – this is a doubling of need since the onset of the pandemic. And tragically Ohio remains a top state for opioid overdose deaths. Simultaneously, the workforce shortages have reached a breaking point. 380:1 is the current demand for care compared to available BH practitioners.

A partner agency serving children and adolescents has a waiting list in excess of 350 clients. COMPASS has made the decision to eliminate a waiting list and strictly provide walk-in services because providers have overbooked schedules, and it would be nearly a month out when trying to schedule a new client. Due to the workforce shortage, new patient assessments decreased by 33% (a total of 353 individuals) between 2019 and 2022 due to the lack of counselors to perform them. It does not mean that people did not need the service, rather COMPASS does not have the professional clinical staff to meet the need. Throughout the pandemic COMPASS never closed its doors, and all 4 behavioral health residential treatment programs were fully operational serving patients with COVID and those without.

As a businessman and leader of a mid-sized business in our community, we have faced severe challenges in the workforce at **unprecedented levels**, along with an increased need for services without the ability to appropriately serve the community. Below are additional data points and information you may want to consider:

- At present time, one of COMPASS’ residential treatment facilities is temporarily closed due to lack of staffing, including a Master’s level Program Manager and nursing staff. This action occurred on January 10, 2023, and to date there is no re-open date planned. A decrease in treatment services for 12-15 individuals from the region that need these services.
- A 2021 survey of parents conducted by Nationwide Children’s Hospital, found 53% of working parents have missed work at least one day a month to care for their child’s mental health, and that their work performance was impacted by their child’s needs.
- Wages for highly trained, licensed professionals are out of step with jobs in other sectors. For example, a Master’s trained therapist makes a median salary of \$56,000 compared to a Food Services Manager with a HS degree making \$53,000.
- Currently, COMPASS has vacancies for two (2) Master’s level Program Managers positions, just recently down from three (3), seven (7) BH therapists, five (5) nurses, and fifteen (15) residential therapeutic program workers which would bring us back to 2019 staffing levels which is inadequate to meet current needs.
- Salaries in behavioral health care positions are well below those for similar positions with similar education and licensure requirements in other health care and business sectors.
- Another barrier to recruiting and retaining staff is the student loan debt compared to average salaries. The average student loan debt to obtain a Master of Social Work is approximately \$73,000. The average starting salary for a social worker with a master’s degree in Ohio is approximately \$46,000.
- Due to the pandemic and escalating wage rates, COMPASS has experienced a decrease in licensed staff positions from 2019 of 42 to 29 in 2023, a decrease of 45%.
- Unprecedented costs for advertising to hire staff has increased a staggering 29% from FY2022 to FY2023, an annual increase of nearly \$63,000.



I am here today to testify to the Department of Medicaid’s budget proposal that recommends much needed and historic investments in the mental health and substance use disorder system of care. The Medicaid community behavioral health investments in Am. Sub. HB 33 including the Governor’s historic 10% Medicaid rate increase (\$220 Million), combined with efforts of the Ohio House to further increase funding for BH direct care workers (\$77 Million), sets an important foundation for a future that supports the health and economic wellbeing of Ohio’s children, families, and communities so they have the tools to succeed and ability to thrive.

Employers in my community rely on organizations like COMPASS to help them maintain a healthy workforce. A healthy workforce creates a healthy business that can be profitable and deal with less turnover and absenteeism. Today, more Ohioans of all ages need mental health and substance use services – yet there is difficulty accessing care due to the lack of available providers.

This remarkable and appreciated Medicaid rate increase for community behavioral health is an encouraging step in the right direction during this challenging and volatile labor market. However, the labor market challenges since the COVID-19 pandemic have only worsened – placing even greater wage pressures within and across job sectors. The community behavioral health workforce is diverse. It encompasses a wide range of disciplines (e.g., psychiatrists, nurses, counselors, social workers, case managers, residential staff, peer supporters) and educational levels that provide a range of prevention, treatment, crisis, and recovery services for mental health conditions and substance use disorders. COMPASS staff provide many of these services in our client’s homes or community settings. Salaries in these positions vary by discipline, licensure, and educational level. The labor market pressures since the global pandemic have only worsened the behavioral health workforce challenges.

As I stated earlier, COMPASS lost 45% of its clinically licensed workforce and we have continued to struggle to recruit and retain staff. The length of time to hire staff for critical positions have ranged from six (6) months for two (2) positions, to seven (7) months for another, and thirteen (13) for one. Currently, one of our management clinical staff positions has been open for five (5) months with only one (1) applicant. We had implemented an aggressive hiring program, offering a \$10,000 sign on bonus or an elevated salary for 18 months in lieu of the bonus; however, we could not compete with area hospitals offering a \$20,000 sign-on for RN’s to work in their behavioral health unit.

The staff turnover went from 32% in FY2019 to 52% in FY2022, this historic high percentage was in para-professional therapeutic program direct service workers due to other full-time positions that had a \$20-22 hourly rate in other industries. The 52% in FY2022 was a first and included clinical and non-clinical positions. Please know, the exit interviews of staff overwhelming indicated they were leaving due to wages and not because of the agency culture.

Community behavioral health organizations struggle to compete with other healthcare sectors for the same workers. Based on the *2022 Ohio Council Compensation and Benefits report*, current job openings posted on Indeed.com offer approximately 20% higher wages compared to the 2022 median salaries of a cross section of community behavioral health positions. For COMPASS positions, wages range from 19 – 43% higher than our pay scale. Similarly, I would note, the OhioMHAS budget includes state hospital operating fund increases of around 25% across the biennium in response to inflationary and payroll costs. Again, similar to the market.



COMPASS operates in a very fiscally responsible manner. In attempt to attract clinical staff, we increased wages from 9%-11% for Licensed Social Workers (LSW), Licensed Professional Counselors (LPC), Licensed Professional Clinical Counselors (LPCC and LPCC-Supervisory), and Licensed Independent Social Workers (LISW and LISW-Supervisory) and still cannot compete.

I respectfully ask you to support an additional \$143 Million (all funds) investment in Medicaid community behavioral health services rates to stabilize and strengthen the behavioral health workforce. This request compliments the Governor's as introduced 10% rate increase (\$220 million all funds) and the 3.5% increase (\$77 million all funds) added by the House (ODM Section 333.29 of Am. Sub. HB 33). Data shows our system requires at least a 20% increase in Medicaid rates to keep up with inflationary costs and to simply compete for workers.

COMPASS and my other partners in community behavioral health organization are unable to keep pace with the demand for care from your constituents. More investment is needed to stabilize, attract, and retain the workforce in today's labor market while building the workforce needed for the future.

In closing, as I stated in the beginning, I am a businessman running a business that employs over 190 people and provides services to the Valley. I just spoke at our Regional Chamber meeting and informed the members and staff of the Chamber that COMPASS provides critical services to the community and to the employees of companies throughout the region. If the employees of these companies and their families are healthy and have access to the appropriate behavioral health care services, their companies will thrive and be successful.

Ohio is at a crossroad for innovation and new investment from within Ohio and those coming to Ohio so let's give all employers, families, and communities the INVESTMENT they need to THRIVE here in Ohio.

Thank you for your time and consideration today. I am happy to answer any questions.

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