



**House Bill 96 - State of Ohio Biennium Budget Testimony
Ohio House Children and Human Services Committee**

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Chair White, Vice Chair Salvo, Ranking Member Lett and members of the House Children and Human Service Committee, thank you for the opportunity to testify today on House Bill 96, the Ohio Biennium budget. My name is Jason Eibling, and I am the President of Freedom Caregivers in Upper Sandusky. While there are many important aspects of the budget impacting Medicaid, my testimony today focuses on concerns my company has with recent changes to self-direction in Medicaid services. Before I outline those concerns, please allow me to tell you a little about my company.

Freedom Caregivers opened its doors in 2013, responding to a critical need for local home health care services for the elderly population. As a physical therapist, I founded the company with a vision that we could offer the quality of care our community would expect for their own family members. With that vision as our goal, Freedom Caregivers began with only two clients and one in-home caregiver. Today, our mission has grown to include multiple office locations throughout Ohio with hundreds of clients and caregivers. Even with this expansion, each local office remains individually focused on providing excellent personal care to elderly people in its own community.

Ohio Medicaid has an option for benefit and service management within its home and community-based waivers called "self-direction." This option is designed to empower individuals by giving them greater control over their Medicaid services. Participants (or their representatives) have the authority to make decisions about specific services and take responsibility for managing them, supported by a system of available resources. The program aims to promote person-centered care, allowing individuals to tailor services to their unique needs and preferences, fostering independence and enhancing their quality of life. By enabling participants to select, train, and schedule their own care providers, the program is intended to offer a flexible and cost-effective alternative to traditional care models, such as nursing homes. This approach aligns with broader goals of community-based care, ensuring that individuals can live more independently while maintaining access to necessary support. Ultimately, Ohio Medicaid's self-direction program seeks to uphold dignity, choice, and autonomy for participants in managing their healthcare and daily living needs.

Overall, the aims of the self-direction program are good, and it makes sense that the Ohio Department of Medicaid (ODM) and Ohio Department of Aging (ODA) want to create more options for people needing community support. However, I have some serious concerns with how the self-direction option is being expanded. The program intentionally excludes agency home care providers like me from participating and lacks the necessary health and safety oversights that are typically included in government funded healthcare services. I am also concerned that family caregivers will be getting paid by taxpayers to support their loved ones without oversight to prevent fraud, waste, and abuse like EVV (electronic visit verification).

To be clear, my agency does NOT oppose expanding self-direction. There is value and merit to Ohio's Medicaid program to have a strong self-direction option. My concern is that these self-direction changes will shift resources away from agency providers and force my agency out of Medicaid. I'm also concerned that this could also lead to increased fraud, waste, and abuse, while compromising the health and safety of those who rely on Medicaid services. The points below highlight my concerns.

- The changes being made to expand self-direction were identified, discussed, and determined at the *Ohio Self-Direction Summit* in 2023, facilitated by *Applied Self-Direction* and sponsored by *UnitedHealthcare*. While the final report references the importance of agency providers in serving the Medicaid population, no agency providers were represented in the room. We engaged ODM during the rule making process last year and expressed our concerns, yet those concerns were not addressed.
- *Ohio's approach is a significant departure from self-direction policy nationally*— Other states that have implemented changes to self-direction have been generally fair to agencies. Often, pilots in the self-direction were conducted ahead of making changes to the whole program. Other states allow agency providers to subcontract with self-directed providers to handle some oversight and payroll, etc. ODM has chosen NOT to allow agencies to participate whatsoever and has failed to explain why. Despite our requests, ODM has not publicly said why agencies are excluded when all other states allow agencies to participate.
- *We are concerned the self-directed changes may violate federal law*—federal law prohibits community-based care to be delivered by the same parties that are either paying for or coordinating services, called “conflict-free case management.” Unfortunately, these changes are allowing the Area Agencies on Aging (AAAs) to hire self-directed caregivers and promote the program. As the coordinator and payor of Medicaid services, federal law prohibits the AAAs from being involved in providing services, yet they are doing just that. Most alarmingly, they are actively recruiting agency providers to do this work. While people are free to work wherever they want, my caregivers are being actively recruited by AAAs to leave my agency and become a self-directed provider. In some cases, this recruitment happens when my providers are on the job going into people’s homes to provide care. This is totally inappropriate and violates federal law.
- *The program does not have oversight for both fraud and health/safety*—the standard oversight that exists on training, fraud protection, and health/safety that are required for agencies providing Medicaid do NOT exist for self-directive providers. Self-directed providers are not required to use EVV, are not required to have typical aide training, and there are no back-up protocols if self-directed providers are unable to serve their patient. These regulations exist for a reason and gutting these requirements is a disaster waiting to happen for taxpayers and the vulnerable people needing these services.

In conclusion, we do not oppose expanding the self-direction program. However, we are opposed to changes that create an unfair playing field that would harm agencies’ ability to provide Medicaid services. Many of us provide Medicaid as a community service and if we leave the program tens of thousands of Medicaid recipients could go without care. We look forward to working with the committee on an amendment that will address our policy concerns before any increase to self-direction funding is approved. Thank you for considering my testimony today. I’m happy to answer any questions you have at this time.