



2233 North Bank Drive
Columbus, OH 43220 P
(614) 444-2882
LeadingAgeOhio.org

**Testimony of Susan Wallace
President / CEO, LeadingAge Ohio
House Finance Committee**

March 12, 2025

Good afternoon, Chair Stewart, Vice Chair Dovilla, Ranking member Sweeney and members of the Finance Committee. We appreciate the opportunity to share our thoughts on the operating budget for SFY 2026-2027.

LeadingAge Ohio is an association representing nearly 400 members that serve older Ohioans across the buckeye state. In a given year, we employ roughly 35,000 and serve nearly 400,000 older Ohioans. Our members include affordable and market rate senior housing, life plan communities, nursing homes, assisted Living, home health, hospice, and palliative care, as well as adult day services. LeadingAge Ohio also supports the PACE Association of Ohio, that represents the four organizations standing up the Program for All-inclusive Care for the Elderly (PACE) across the state of Ohio.

What differentiates our members from their counterparts is that they are guided by mission and values. Over 90% are not-for-profits, over 70% are founded by or tethered to faith-based organizations.

Since our membership spans the spectrum of aging services in Ohio, our budget priorities cover a wide range of initiatives as well, including funding for home- and community based services, nursing facility payment reform, hospice payments, the Ohio Low-Income Housing Tax Credit, increases to the personal needs allowance, ways to improve the caregiving career space, and the Program for All-inclusive Care for the Elderly (PACE). Today, we will focus on home- and community-based services, as well as a workforce proposal.

Home and Community-based Services (HCBS)

In the last biennial budget, the state of Ohio made significant investments to shore up a weakened network of long-term services and supports providers. The increases were dramatic, a

“feast” period to rectify years of flat-funding “famine” in aging services. The recovery is playing out in more providers engaging in the programs and more individuals being served.

Our proposal, shared with the Ohio Council for Home Care & Hospice, the Ohio Healthcare Association, and the Ohio Association for Area Agencies on Aging (O4A) does three things: First, it creates a mechanism by which the Department of Aging will evaluate the costs of delivering care to inform future rate setting for assisted living, home health care, personal care and adult day services. This evaluation would provide answers to the questions that legislators have asked in the past: How much have costs risen? What portion of the legislature’s investments make their way into workers’ pockets? And most importantly, can older adults in our communities find care, because of the investments you make?

Second, for that span of time while the evaluation is being developed, it allows funding to keep pace with costs according to a temporary inflationary factor.

And finally, it creates a payment for assisted living waiver that mirrors the bed-hold policy in nursing homes, to ensure that if an individual experiences a hospitalization or other temporary event that takes them away from the assisted living community, their room—their home—will be held rather than relinquished.

We have seen a steady increases in older Ohioans served in HCBS waivers the past two years, but we have not yet recovered to pre-pandemic levels of access despite larger numbers of older Ohioans than ever before. Many of our members remain reticent to re-engage with Ohio’s waiver programs because of the threat that underfunding poses to their missions. They are not yet sure that history will not repeat itself, and the executive budget’s flat-funding certainly seems to reinforce rather than allay their concerns.

We encourage you to add to the Administration’s investments in order to continue rebuilding options for older Ohioans.

Hospice Care in Nursing Homes

Hospice programs are required by federal law to bill Medicaid for the nursing home room and board for residents in their care, and then “pass through” these payments to the nursing home. Under the current arrangement, Ohio only pays 95% of the cost of nursing facility care, and the hospice pays their nursing home partner 100%, absorbing the difference as a financial loss. LeadingAge Ohio supports a proposal that has been discussed over decades that would finally rectify this, requiring the state of Ohio to pay hospices the full cost of room & board of their patients.

Personal Needs Allowance

LeadingAge Ohio supports the Administration’s proposal to raise the personal needs allowance (PNA) from \$50 to \$100 per month. The PNA is essential to preserving dignity and enhancing quality of life for long-term care residents, whether in nursing homes or assisted living, by

allowing them to receive services like haircuts and styles, choose clothing that suits their preferences, and cover other incidentals like having a cell phone plan or other items to bring joy to their day-to-day lives. Ohio's PNA has not been increased in nearly 10 years, and then it was only increased from \$40 to \$50 per month. This is a welcome change that will directly impact residents of senior living communities.

Caregiving Workforce

Ohio is a leader among states in innovative strategies to retain talent and drive workforce development. In particular, Tech Cred is a simple yet effective tool to support upskilling existing workers already attached to an employer.

Technology's not the only field needing this attention, and indeed, our current way of trading and onboarding direct care workers is fragmented at best. No fewer than 453 nurse aide training programs operated in the state of Ohio, and every single home health agency program, assisted living, and waiver agency is charged with training their own staff.

Furthermore, the need for additional training – particularly training on dementia, behavioral health and other specialty populations -- has been a highlight in policy conversations, from the Nursing Home Quality and Accountability Task Force to the Alzheimer's and Related Dementia Task Force to the Direct Care Working Group convened by the Department of Job and Family Services.

LeadingAge Ohio, along with other aging network advocates, believes that a first step towards standardizing and promoting caregiving careers is for the state of Ohio to launch a workforce development program, modeled after Tech Cred, to usher individuals into caregiving careers as well as upskill those that have already committed to the vocation. We believe the Department of Aging is the best agency to house this initiative, as it directly builds off of work they have already done and dovetails with recommendations made in previous workgroups they have facilitated.

Program for All-inclusive Care for the Elderly (PACE)

By the end of this year, Ohio will have expanded its PACE program from two counties to 10, with one in each of Ohio's most populous counties (Hamilton, Franklin, Cuyahoga, Montgomery, Lucas, Summit, Mahoning) as well as a few rural communities (Lorain, Ashtabula, Trumbull). As I mentioned before, LeadingAge Ohio is proud to continue our support for expanding PACE in Ohio through its management of the PACE Association of Ohio. PAO has two priorities for this budget process, neither of which have any funding requests attached to them!

- First, to allow PACE organizations to begin providing services to enrollees whose Medicaid applications are pending. Currently, PACE enrollment can take 6 to 8 weeks because of the time it takes to gather appropriate information to determine Medicaid eligibility. It is not uncommon for individuals who are waiting for approval to have a health event that leads to hospitalization and / or long-term care stay. Our

PACE organizations would like to be able to provide services beginning on the first of the month following the application. If the Medicaid application is not ultimately approved, the PACE organization would not be paid for those services and would adhere to a standard 30-day notice period for disenrollment.

- Require the Administration to issue an RFP for the next round of PACE expansion no later than July 1, 2026. The state has made strides in expanding infrastructure to support PACE expansion, and the legislature has been overwhelmingly supportive of this program. While the urban counties will have PACE programs, many adjacent suburban or rural areas could benefit from the care model.

We believe these changes to the executive budget would ensure that all Ohioans have dignity, choice and access to the supports they need as they age. We appreciate the opportunity to share our thoughts and welcome any questions you may have.